

MÖDERE™

POLICIES AND
PROCEDURES

Effective as of: 5 April 2022

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BUSINESS ETHICS

The Company has made a commitment to provide its Social Marketers top quality products, exceptional support and a successful Compensation Plan. A Social Marketer's primary focus is attracting and retaining Customers and growing a Customer Pod. Social Marketers may also build teams and develop leaders as they introduce prospect Social Marketers to Modere. As Social Marketers engage in Business Activity, they must represent the products and income opportunity in an ethical and professional manner.

1. Each Social Marketer agrees to abide by the following Business Ethics:
2. As a Social Marketer:
3. I will uphold Modere's mission and values while engaging in Business Activity.
4. I will indicate to prospective Customers/retail customers and Social Marketers who I am, why I have contacted them, and what I am promoting.
5. I will be truthful in my representation of the products and will make no product claim that is not contained in and supported by official Company publications.
6. I will correctly and lawfully represent the Compensation Plan and will not make false or misleading claims about the income potential represented therein.
7. I will conduct myself and my business in an ethical, moral, legal and financially sound manner and will not engage in any deceptive or illegal practice.
8. I will fulfil my leadership responsibilities by training, assisting, and otherwise supporting the Social Marketers in my organisation.
9. I will respect the Enrolment Sponsor relationship of every other Modere Customer or Social Marketer, and I will neither attempt to interfere with or change these relationships nor make disparaging or untrue claims about other Social Marketers.
10. I will not communicate disparaging comments about competitors' products to others and shall not communicate slanderous, libellous and derogatory statements about competitors or other Social Marketers.
11. I will not engage in activities that would bring disrepute to the Company, other Social Marketers, or me.
12. I will abide by each and every term and condition of the Agreement.

SECTION 1: CORPORATE MISSION STATEMENT

We inspire people to achieve personal success and wellbeing through high-performance, safe products, meaningful connections, and engaging experiences.

SECTION 2: INTRODUCTION

Throughout this document, "Modere" or the "Company" refers to Modere Europe BV, a company incorporated under the laws of Belgium (company number 0893292596).

2.1 POLICIES AND COMPENSATION PLAN INCORPORATED INTO THE SOCIAL MARKETER AGREEMENT

These Policies and Procedures, in their present form and as amended at the sole discretion of Modere, are incorporated into, and form an integral part of, the Modere Social Marketer Agreement. Throughout these Policies, when the term "Agreement" is used, it collectively refers to the Modere Social Marketer Application and Agreement, these Policies and Procedures, the Modere Compensation Plan ("Compensation Plan"), and the Modere Business Entity Application and Agreement (if applicable). These documents are incorporated by reference into the Modere Social Marketer Agreement (all in their current form and as amended by Modere). It is the responsibility of each Modere Social Marketer 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. The most current version of these Policies and Procedures can be found on the Company's official Social Marketer website, www.shiftingretail.eu or www.shiftingretail.co.uk ("Shifting Retail") Modere Social Marketers must check this official website on a regular basis for new content, special newsletters or urgent communications.

2.1.1 POLICY REVIEW PERIOD

A new Social Marketer's failure to cancel his or her Agreement within thirty (30) calendar days from the date of payment of the registration fee constitutes his or her acceptance of terms and conditions of the Agreement with Modere.

2.2 PURPOSE OF POLICIES

Modere is a direct selling company that markets products and services through Independent Social Marketers. It is important to understand that their success and the success of their fellow Social Marketers is dependent upon the integrity of the men and women who market Modere products and services. To clearly define the relationship that exists between Social Marketers and Modere, and to explicitly set a standard for acceptable business conduct, Modere has established the Agreement. Modere Social Marketers are required to comply with all the terms and conditions set forth in the Agreement which Modere may amend at its sole discretion from time to time in accordance with clause "[Changes to the Agreement](#)". Modere Social Marketers shall also be required to comply with all applicable laws governing their Modere business and their conduct. These Policies and Procedures explain and govern the relationship between the Social Marketer, as an independent contractor, and the Company. Therefore, it is very important that Social Marketers read, understand and abide by the Agreement. Queries regarding any policy or rule can be addressed with the Modere Social Marketer Education & Compliance Department (compliance@modere.eu).

2.3 CHANGES TO THE AGREEMENT

Because applicable laws, as well as the business environment periodically change, Modere reserves the right to amend the Agreement at its sole and absolute discretion provided that Modere gives Social Marketers at least 30 days' notice (60 days' notice if the amendment affects the Social Marketers financially). Amendments shall be effective upon notice as outlined above to all Social Marketers that the Agreement has been modified. Notification of amendments shall be published in official Modere materials. The Company shall provide or make available to all Social Marketers a complete copy of the amended provisions by one or more of the following methods: (a) posting on Shifting Retail; (b) electronic mail (e-mail); (c) inclusion in Company periodicals; (d) inclusion in product orders; or (e) special mailings. By signing the Social Marketer Agreement, a Social Marketer agrees to abide by all amendments or modifications that Modere elects to make provided sufficient advance warning as outlined above is made. The continuation of a Social Marketer's Modere business or a Social Marketer's acceptance of bonuses or commissions constitutes acceptance of all amendments to the Agreement.

2.4 DELAYS

Modere shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labour difficulties, riot, war, fire, death, epidemics, pandemics, curtailment of a party's source of supply, or government decrees or orders.

2.5 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 and shall be construed as if such invalid or unenforceable provision never comprised a part of the Agreement.

2.6 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 Modere to exercise any right or power under the Agreement or to insist upon strict compliance by a Social Marketer 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 Modere's right to demand exact compliance with the Agreement. Waiver by Modere can be effectuated only in writing by an authorised officer of the Company. Modere's waiver of any particular breach by a Social Marketer shall not affect or impair Modere's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Social Marketer. Nor shall any delay or omission by Modere to exercise any right arising from a breach affect or impair Modere's rights as to that or any subsequent breach. The existence of any claim or cause of action of a Social Marketer against Modere shall not constitute a defence to Modere's enforcement of any term or provision of the Agreement.

2.7 ASSIGNMENT

The Social Marketer agrees that the Company may assign the Agreement, or any part of it, to any affiliate, subsidiary, parent entity, or other company, at its discretion. A Social Marketer may not assign any rights or delegate any duties under this Agreement without prior written consent of Modere. Any attempt to transfer or assign this Agreement without express consent of Modere renders this agreement voidable at the option of Modere and may result in termination of the business.

SECTION 3: BECOMING A SOCIAL MARKETER

3.1 REQUIREMENTS TO BECOME A SOCIAL MARKETER

To become a Modere Social Marketer, each applicant must:

- reside in one of the countries supported by Modere where the applicant has a legal right to carry out Independent Modere Social Marketer activities or conduct an Independent Modere Social Marketer business;
- be an adult with capacity to sign a commercial contract (usually eighteen) in his or her country of residence or a duly registered business entity; the business entity must be duly incorporated or otherwise properly registered in compliance with applicable laws;
- have a valid social security or national number, or a valid tax identification number or fiscal code, or another official identification number that is unique to the Social Marketer;
- have a valid email address that is unique to the Social Marketer and which will be used for communications pertaining to the Agreement by Modere and is to be used by the Social Marketer for all email communications with Modere;
- submit a properly completed Social Marketer Application and Agreement to Modere and/or a Business Entity Application and Agreement, as appropriate; no third party may submit such Application and Agreement on behalf of another entity;
- submit documentation, as requested by Modere, within 7 days from the submission of the Social Marketer Application and Agreement. If the documentation is not received within 31 days of registration, Modere reserves the discretion to terminate the account. Once the Social Marketer account is terminated, the applicant Social Marketer loses all title, rights, and interest in the Social Marketer's Sales Organisation. In this situation, if the applicant wishes to reapply, he or she may do so immediately so long as his or her Enrolment Sponsor is the same individual who sponsored him or her previously.

The Company reserves the right to reject or void any application for a new Social Marketer Agreement or a continuation of the Agreement at its own discretion which shall be based on reasonable grounds and not discriminatory.

3.1.1 FRANCE

In addition to the requirements set out above, French regulations mandate that Modere request all Social Marketers in France to provide proof of registration of their business and proof of their compliance with French tax and social security laws. VDI mandataire Social Marketers must provide their social security number, a copy of the document that validates this number ("carte vitale") and a copy of their valid French ID card or their valid French residence permit at registration.

3.2 NO PRODUCT PURCHASE REQUIRED

Applicant Modere Social Marketers are not required to purchase any Modere products or services to become a Modere Social Marketer. However, an applicant Modere Social Marketer is required to pay a registration fee. Modere will repurchase re-saleable Modere inventory and sales aids from any Social Marketer who terminates his or her Social Marketer Agreement pursuant to the terms of clause "[Return of Inventory and Sales Aids by Social Marketers](#)".

3.2.1 FRANCE

Social Marketers resident in France must also settle a France registration fee when they join Modere. All current fees are posted on Shifting Retail.

3.3 NEW SOCIAL MARKETER APPLICATION VIA ONLINE SUBMISSION

Social Marketers may easily register online on the Company's official Social Marketer website, Shifting Retail, or on Modere-sponsored Social Marketer websites. Online acceptance of the Agreement has the same effect as if the applicant had physically signed it.

3.4 SOCIAL MARKETER BENEFITS

Once a Social Marketer Application and Agreement has been accepted by Modere, the benefits of the Compensation Plan and the Social Marketer Agreement are available to the new Social Marketer. These benefits include the right to:

- purchase Modere products and services;
- develop a Customer base and earn on Customer purchases from Modere as allowed by local law;
- participate in the Modere Compensation Plan (receive bonuses and commissions, if eligible);
- sponsor other individuals as Social Marketers into the Modere business and thereby build a Sales Organisation and progress through the Modere Compensation Plan;
- receive periodic Modere literature and other Modere communications;
- participate in Modere-sponsored support, service, training, and motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- participate in promotional and incentive contests and programmes sponsored by Modere for its Social Marketers.

3.4.1 FRANCE

Modere VDI mandataire may only purchase Modere products for personal use and consumption. They may promote Modere products and are prohibited from reselling Modere products.

3.5 MODERE CUSTOMERS

A person may register as a Modere Customer by means of Modere operated websites or by telephone and shall be entitled to purchase Modere products but will not be entitled to participate in the Modere Compensation Plan. Once a Customer registers with Modere, their Customer account is linked to the referring Social Marketer or Customer whose referral code the new Customer used at registration. The new Customer becomes a member of the Customer Pod of the first Upline Social Marketer.

Customers may become Social Marketers with no waiting period. If the Customer becomes a Social Marketer under his or her original Sponsor, the Customers previously referred by that Customer are then moved from the Customer Pod of the first-level Upline Social Marketer and placed in the Customer Pod of the newly registered Social Marketer in the month that follows the new Social Marketer's Application and Agreement.

Customers who were formerly Social Marketers must remain inactive for at least six (6) months before they may submit a Social Marketer Application and Agreement under a different Sponsor.

3.6 PERSONAL DATA COLLECTION

Social Marketers agree that the personal data collected pursuant to this Agreement is necessary for Modere to operate its distribution network, process orders and for general administration, marketing, statistical and management purposes. The data is used by various entities within the Modere corporate group, such as agents and third parties involved in the operation of the business and distribution network. Social Marketers agree that such data may be transferred to such third parties and outside the European Union (EU) for the purposes of processing by Modere. Some of the countries outside the EU do not have laws in place to protect this information. It may also be transferred to other Modere Social Marketers pursuant to the provisions of the Agreement. In addition, Social Marketer personal data will be used to calculate commission and to provide information to the competent authorities whenever it is legally required. Personal data will not be transmitted for commercial purposes that are foreign to Modere, but they may be transmitted to third parties who provide a service to Modere in a country outside of the EU. The transfer of personal data by Modere outside of the EEA is authorised in accordance with the framework rules laid down by the European Commission. Social

Marketers have a right to access and to rectify the data concerning themselves. Based on applicable law, Social Marketers also have a right of data portability and a right to be forgotten regarding their personal data. To exercise the right for erasure, restriction of processing or the objection to processing of their personal data Social Marketers must first cancel their Agreement pursuant to clause "[Voluntary Cancellation](#)". Personal data that Modere needs to fulfil its legal and tax obligations will be maintained for as long as required by those obligations. Currently, to comply with Belgian tax obligations, Modere retains the following Social Marketer personal data for seven (7) fiscal years: first and last name of the individuals or the name of the Business Entity, the home country, and as applicable, the fiscal code, the SIRET number, the Intracommunity VAT number, the order history, and the countries Social Marketers shipped orders to. Personal data pertaining to the Agreement with Modere will be maintained for 10 years following the cancellation of the Agreement. This includes: evidence of acceptance of the Modere Agreement and the Non-Disclosure and Non-Solicitation Agreement, the cancellation of the Agreement, evidence of the legitimacy of the business activity (such as evidence of the registration of the business or business activity), any documents that identified the Social Marketer as a legitimate physical or legal entity at the time of the Agreement. Social Marketer contact details will be maintained for at least 12 months beyond cancellation of the Agreement. Contact details are: title, first and last name, residential or billing address, preferred language, and email address. To exercise their rights, Social Marketers may contact Modere at privacy@modere.eu or at its most current address as shown on its official website www.modere.eu/www.modere.co.uk ("[Modere website](#)"). To help us to identify the requester, a legible copy of the Social Marketer's valid identity card (front and back) or a copy of their valid passport which should display personal data as available in their Modere account must be submitted with the request. Social Marketers dispose of the right to appeal to the independent public authority for data privacy in their country of residence in case of dispute on the processing of their personal data by Modere. They also have the right to not answer questions; however, when the answers to these questions must be answered and the Social Marketer does not do so, Modere may not be able to follow up on the request. By accepting this Agreement Social Marketers consent to the processing, retention and use of their data in accordance with this Agreement. By accepting the Agreement Social Marketers also accept the Modere Privacy Statement on the Modere website and on Shifting Retail.

SECTION 4: OPERATING A MODERE BUSINESS

4.1 ADHERENCE TO THE MODERE COMPENSATION PLAN

Social Marketers must adhere to the terms of the Modere Compensation Plan as set forth in official Modere literature. Social Marketers shall not offer the Modere opportunity through, or in combination with, any other system, programme, or method of marketing other than that specifically set forth in official Modere literature. Social Marketers shall not require or encourage other current or prospective Modere Customers or Social Marketers to participate in Modere in any manner that varies from the programme as set forth in official Modere literature. Social Marketers shall not require or encourage other current or prospective Modere Customers or Social Marketers to execute any agreement or contract other than official Modere Agreements and contracts to become a Modere Social Marketer. Similarly, Social Marketers shall not require or encourage other current or prospective Modere Customers or Social Marketers to make any purchase from or make any payment to any individual or other entity to participate in the Modere Compensation Plan other than those purchases or payments identified as recommended or required in official Modere literature.

4.2 MINORS

Social Marketers shall not recruit or sponsor individuals under the age of majority (usually 18 years of age) in the individual's respective country.

4.3 ONE MODERE ACCOUNT PER SOCIAL MARKETER

Modere Social Marketers may own, operate, or have beneficial interest in only one Modere Social Marketer account to the exclusion of a Customer account or another Social Marketer account. Social Marketers shall not use business entities, trusts, or other devices to avoid this policy. Spouses (including common law partners) may jointly hold one Modere Social Marketer account as allowed by local law or Modere. An exception to this policy will be considered on a case-by-case basis if two Social Marketers marry or in cases of a Social Marketer receiving an interest in another Social Marketer account through inheritance from an immediate family member.

Requests for exceptions to this policy must be submitted in writing to the Modere Social Marketer Education & Compliance Department (compliance@modere.eu). Additionally, in cases where exceptions are approved, all other conditions of Beneficial Interest rules apply to both Social Marketer accounts.

The spouse (or common law partner) of a Modere Social Marketer may not register as a Modere Customer.

4.3.1 CHILDREN LIVING AT HOME

A Social Marketer's child who is over the age of majority (usually 18) and residing in the same household as the Social Marketer may own a Modere Social Marketer account independently from his or her parent. However, the Social Marketer account owned and operated by the child must be a bona fide Social Marketer account separate and apart from the parent's Social Marketer account and no Beneficial Interest in the parent's Social Marketer business may exist. A Social Marketer's child need not be sponsored by his or her Social Marketer parent, nor be in the same line of sponsorship as his or her Social Marketer parent.

4.3.2 ACTIONS OF HOUSEHOLD MEMBERS OR AFFILIATED INDIVIDUALS.

If any Beneficial Interest holder of a Social Marketer's account engages in any activity which, if performed by the Social Marketer, would violate any provision of the Agreement, such activity shall be deemed a violation by the Social Marketer and Modere may take disciplinary action against the Social Marketer pursuant to the Agreement. Similarly, if any individual associated in any way with a Social Marketer corporation, partnership, trust, or other entity (collectively "affiliated individual") violates the Agreement, such action(s) shall be deemed a violation by the entity, and Modere may take disciplinary action against the entity.

4.3.3 FRANCE

VDI mandataire and micro-entrepreneur Social Marketer accounts are by law individual accounts and cannot be jointly held.

4.4 INDEPENDENT CONTRACTOR STATUS

Social Marketers are independent contractors and are not purchasers of a franchise or a business opportunity. The Agreement between Modere and its Social Marketers does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Social Marketer. Social Marketers shall not be treated as employees for their services or for income tax purposes. The Social Marketer has no authority (express or implied) to bind the Company to any obligation. Each Social Marketer shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Social Marketer Agreement and applicable laws.

4.4.1 FRANCE

VDI Social Marketers may in no case ever exercise an activity of employer, nor be in a contractual relationship with the VDI they lead. No remuneration, in whatever form, may be paid by one VDI to another VDI.

4.5 BUSINESS ENTITIES

A corporation, limited liability company, partnership, trust, or other legal business entity (collectively referred to in this clause as a "business entity") may apply to become a Modere Social Marketer by submitting a properly completed Modere Business Entity Application and Agreement. The application form is to be used by new Social Marketer applicants as well as existing Social Marketers who wish to change the corporate structure of their Modere business. Changing to a Business Entity is considered as a change of ownership and is treated as a transfer. The completed Modere Business Entity Social Marketer Application and Agreement form should be submitted with the completed Sale/Purchase or Transfer of Social Marketer Account form. Members of the Business Entity are jointly and severally liable for any indebtedness or other obligation to Modere.

4.6 CHANGES TO OWNERSHIP OF A MODERE SOCIAL MARKETER ACCOUNT

4.6.1 ADDITION OF CO-OWNER

When adding a co-owner to an existing Modere Social Marketer account, the Company requires a written request and a properly completed Independent Social Marketer Application and Agreement containing the owner and co-owner signatures. To prevent the

circumvention of the clause regarding the "[Sale, Transfer, or Assignment of a Modere Social Marketer Account](#)", the original owner must remain as the primary account holder to the original Independent Social Marketer Application and Agreement and the potential co-owner must not have engaged in Business Activity as defined by Modere in the previous twelve (12) months. If the original Social Marketer wants to terminate his or her relationship with the Company, he or she must transfer or assign his or her Social Marketer account in accordance with the clause regarding the "[Sale, Transfer, or Assignment of a Modere Social Marketer Account](#)". If this process is not followed, the Social Marketer account shall be cancelled upon the withdrawal of the original Social Marketer. All commission and bonus entitlements will be paid to the bank account of record of the original Social Marketer. The modifications permitted within the scope of this paragraph do not include a change of sponsorship. Changes of sponsorship are addressed in the clause "[Change of Sponsor](#)". Modere may, at its discretion, require notarised documents before implementing any changes to a Modere Social Marketer account.

4.6.1.1 FRANCE

Spouses (including common-law partners) may not be jointly registered as a VDI mandataire or a micro-entrepreneur Social Marketer, nor may they singly each own a Modere Social Marketer account of whatever type.

4.6.2 CHANGE OF ENROLMENT SPONSOR

Enrolment Sponsor changes are not permitted except pursuant to clause "[Cancellation and Re-Application](#)".

4.6.3 CANCELLATION AND RE-APPLICATION

Social Marketers may legitimately enrol into another Modere Social Marketer's Sales Organisation provided they voluntarily cancel their Modere Social Marketer Agreement by submitting a Modere Social Marketer Account Cancellation Request form and not participating in any Business Activity for six full calendar months. Following the six-month period of inactivity, the former Social Marketer may reapply under a new Enrolment sponsor.

4.6.4 CHANGE TO OWNERSHIP OF BUSINESS ENTITY SOCIAL MARKETER ACCOUNT

A business entity Social Marketer account, as described in clause "[Business Entities](#)", that desires to change the ownership of the Business Entity must obtain prior written approval from Modere before effecting such a change pursuant to clause "[Sale, Transfer and Assignment of a Social Marketer Account](#)" and continuing to act as a Modere Social Marketer. A written request for approval for the change identifying the proposed changes must be submitted to the Modere Social Marketer Education & Compliance Department (compliance@modere.eu) for review and consideration. Modere will send a written response approving or denying the request. Modere will require a Business Entity Application and Agreement to be completed by the new owners of the same business entity.

4.7 SALE, TRANSFER, OR ASSIGNMENT OF A MODERE SOCIAL MARKETER ACCOUNT

A Social Marketer account sale, assignment or transfer occurs when a Social Marketer sells, assigns, or transfers ownership or control of a Social Marketer account to another physical or legal entity. If a member, director, manager, shareholder, partner, executive or similar position or title sells, assigns, or transfers a controlling or majority interest in a Business Entity Social Marketer account which has a Beneficial Interest in a Social Marketer account, such sale, assignment, or transfer is subject to the provisions described in this clause. The Company reserves the right, in its sole discretion, to approve or disapprove any proposed sale, assignment or transfer of a Social Marketer account. The sale, assignment or transfer of a Social Marketer account may only occur if, at the time of the sale, assignment or transfer, the Social Marketer is in good standing pursuant to the terms of clause "[Voluntary Cancellation](#)". Rank, Title and qualifications will be based on the state of the position as calculated during the first commission period following the completion of the transfer. A Social Marketer account may be assigned or transferred without consideration (e.g. as a gift) subject to the Company's prior written approval. Any sale, assignment or transfer of a Social Marketer account is subject to the conditions described in this clause below.

4.7.1 LIMITATIONS ON SALES, TRANSFERS AND ASSIGNMENTS

Although a Modere Social Marketer account is a privately owned, independently operated Social Marketer account, the sale, transfer, or assignment of a Modere Social Marketer account is subject to certain limitations as follows:

- 4.7.1.1 An existing Social Marketer may not purchase another Social Marketer account. The only exception to this provision exists if a Social Marketer purchases or receives via transfer the Social Marketer account of a Social Marketer personally enrolled by him/her, or if a Social Marketer purchases or receives via transfer the Social Marketer account of his or her immediate Enrolment Sponsor subject to the terms of 4.7.1.4 below.
- 4.7.1.2 A Social Marketer who sells or transfers his or her account may not reapply to become a Social Marketer under another Enrolment Sponsor for a period of not less than six (6) months after the Company has approved and processed the sale.
- 4.7.1.3 Without the Company's prior approval, an entity may not merge with, or acquire an interest in, a pre-existing Social Marketer account if the entity has engaged in Business Activity within the past twelve (12) months.
- 4.7.1.4 Should a Social Marketer transfer his or her account to the Enrolment Sponsor, the Enrolment Sponsor may hold the account for up to ninety (90) days to find and transfer the Social Marketer account to a new buyer. Failure to transfer or sell the Social Marketer account within the time limit will result in the account being subject to the clause "[Change of Sales Organisation](#)". If a Social Marketer receives via transfer their direct Enrolment Sponsor's account they may choose to take ownership of that position at which point their current position is subject to the same terms above.
- 4.7.1.5 All sales or transfers of a Social Marketer account below the Director 1 Rank may, at the Company's sole discretion, shall be subject to additional non-solicitation obligations between the selling or transferring Social Marketer and the Company, of up to six (6) months, pursuant to the terms of sale or transfer documentation provided by the Company. All sales or transfers of Social Marketer accounts of Director 1 Rank or higher shall be subject to a non-solicitation obligation between the selling or transferring Social Marketer, the purchasing Social Marketer, and the Company, of not less than one (1) year, pursuant to the terms of sale or transfer documentation provided by the Company at that time.

4.7.2 SALE, TRANSFER OR ASSIGNMENT PROCESS

The process for submitting a sale, transfer or assignment of a Social Marketer account is as follows:

- The buyer or transferee must become a qualified Modere Social Marketer and must submit to Modere's Social Marketer Education & Compliance Department (compliance@modere.eu) a completed Social Marketer Application and Agreement or a Business Entity Social Marketer Application and Agreement (if applicable) with all required documentation appropriate to the application, as well as a completed Sale, Transfer or Assignment of a Social Marketer Account form.
- All required documents for the sale, transfer or assignment request must be received by the Social Marketer Education & Compliance Department for Modere to begin the investigation of the request. If all documents are received by the 15th calendar day of a month, Modere will make every effort for the change to be effective for the given calendar month. The sale, transfer or assignment will become effective when Modere has processed the request. Any requests received after the 15th may be processed in the following month.
- Upon approval a processing fee is payable. Delays in payment of the fee may delay the effective date of the Sale.
- Before the sale, transfer, or assignment can be finalised and approved by Modere, any debt obligations the selling Social Marketer has with Modere must be satisfied.

4.7.3 RIGHT OF REFUSAL

Social Marketer Sales, Transfers and Assignments are subject to a Right of First Refusal ("RFR") to the Company, followed by an RFR to the immediate upline Enrolment Sponsor.

- 4.7.3.1 If a Social Marketer receives a Bona Fide Offer to purchase his or her Social Marketer account, the Social Marketer shall first offer to sell such account to the Company on the same terms and conditions contained in the Bona Fide Offer. The Social Marketer shall deliver the Bona Fide Offer in writing to the Company, and the Company shall have fifteen (15) business days in which to accept the offer. Evidence of a legitimate offer may include, but is not limited to, cash or securities deposited into an escrow account, evidence of a loan commitment, and other substantial steps taken for the sole purpose of purchasing such Social Marketer Account.
- 4.7.3.2 If the Company fails to exercise its RFR within the fifteen (15) day period, the Social Marketer shall extend the same offer to its immediate Enrolment Sponsor on the same terms and conditions as those contained in the Bona Fide Offer. The Company shall convey the Bona Fide Offer by providing written notice of the same to the Social Marketer's immediate

Enrolment Sponsor. The Enrolment Sponsor shall have ten (10) business days in which to accept or reject such offer. If the Enrolment Sponsor accepts the offer, he or she must provide written notice to the Company upon acceptance.

- 4.7.3.3 If the Enrolment Sponsor fails to exercise his or her RFR within the time allotted, the Social Marketer may transfer the Social Marketer account to the third party according to the same terms and conditions contained in the Bona Fide Offer, provided, however, that the Social Marketer complies with all other transferring procedures contained in this clause, and as may be established from time to time by the Company.
- 4.7.3.4 The RFR shall apply to each new Bona Fide Offer received by the Social Marketer.
- 4.7.3.5 The following circumstances are not subject to the RFR requirements above; however, each instance requires that an amended Social Marketer Application and Agreement or Business Entity Social Marketer Application and Agreement (where applicable) be submitted to the Company.
- a. When the name of an individual who has a Beneficial Interest in the Social Marketer account is added to the Application and Agreement (e.g. a Social Marketer adding his or her partner).
 - b. When the name of an individual who no longer has a Beneficial Interest in the Social Marketer account is removed from the Social Marketer Application and Agreement (e.g. a Director who is removed from a company; or a shareholder, not holding a controlling interest, sells his or her interest in a company.)
 - c. When the Social Marketer is an individual and is transferring his or her ownership rights to a legal entity in which only that Social Marketer has a Beneficial Interest (e.g. spouses, including common-law spouses, form a limited liability company to operate their Social Marketer account and are the only members/managers).

4.8 SEPARATION OF A MODERE SOCIAL MARKETER ACCOUNT

Modere Social Marketers sometimes operate their Modere Social Marketer account as husband-wife partnerships (including partnerships of common law partners), regular partnerships, corporations, or other business entities. At such time as a marriage, including a common law marriage, may end in divorce or separation, or a corporation, partnership, or other business entity (the latter entities are collectively referred to herein as “entities”) may dissolve, arrangements must be made to ensure that any separation or division of the Social Marketer account is accomplished so as not to adversely affect the interests and income of other Social Marketer accounts up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other Social Marketers and the Company, Modere will involuntarily terminate the Social Marketer Agreement. During the pendency of a divorce or entity dissolution, the parties must adopt one of the following methods of operation:

- One of the parties may, with written notarised consent of the other(s), operate the Modere Social Marketer account pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners, or trustees authorise Modere to deal directly and solely with the other spouse or non-relinquishing shareholder, partner, or trustee. In this situation, all commissions and bonuses shall be paid to the party receiving the Social Marketer account.
- The parties may continue to operate the Modere Social Marketer account jointly on a “business-as usual” basis, whereupon all compensation is paid by Modere according to the status quo as it existed prior to the filing of the divorce or dissolution proceedings.

Under no circumstances shall the Sales Organisation of divorcing spouses or a dissolving Social Marketer account entity be divided. Similarly, under no circumstances shall Modere split commission and bonus earnings between divorcing spouses or members of dissolving entities. Modere shall recognise only one Sales Organisation and shall issue only one commission entitlement per Modere Social Marketer account per commission cycle. Commission entitlements shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the Social Marketer account within six calendar months from the date on which the divorce action was filed or the dissolution proceedings instituted, the Social Marketer Agreement shall be involuntarily cancelled.

If a former spouse, including common law partners, has completely relinquished all rights in his or her original Modere Social Marketer account, he or she is thereafter free to immediately enrol under any Sponsor of his or her choosing upon submission of a Social Marketer Application and Agreement form. Former entity affiliates must wait six calendar months before they may re-apply

under a different Sponsor but may re-apply immediately under the same Sponsor who had been the Sponsor of the dissolved entity. In such case, however, the former spouse (including common-law spouses) shall have no rights to any Social Marketers or Customers in their former Sales Organisation.

4.8.1 FRANCE

None of the above clause "[Separation of a Modere Social Marketer Account](#)" is applicable to a VDI mandataire or micro-entrepreneur Social Marketer account.

4.9 SUCCESSION

Upon the death of a Social Marketer, his or her Social Marketer account may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. In the absence of a will, the applicable inheritance legislation shall apply. If a will or other testamentary document is contested, and the Social Marketer account is not awarded within six calendar months from the date of the Social Marketer's death, or if the successor does not complete all the requirements listed below within such six calendar months' period, the Social Marketer account shall be involuntarily cancelled. Any commission or bonuses that had accrued on the deceased Social Marketer's account will be passed to the rightful heir. If a Social Marketer dies and a legal heir does not contact Modere, the Social Marketer account shall be cancelled. Accordingly, a Social Marketer should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a Modere Social Marketer account is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all commissions and bonuses of the deceased Social Marketer's Sales Organisation provided the following qualifications are met. The successor(s) must:

- comply with all the requirements as stated in clause "[Requirements to become a Modere Social Marketer](#)" including the submission to Modere of a completed Social Marketer Application and Agreement;
- submit a copy of an original death certificate to Modere;
- submit to Modere a notarised copy of the will or other instrument establishing the successor's right to the Modere Social Marketer account;
- comply with terms and provisions of the Agreement;
- if the Social Marketer account is bequeathed to joint devisees, they must form a business entity. Modere shall issue all commission and bonus entitlements to the business entity.
- if the legal successor to the Social Marketer account is already an existing Social Marketer, the Agreement may be assigned to the existing Social Marketer and the Company will allow the multiple Beneficial Interest through inheritance, provided that the existing Social Marketer does not already own another Social Marketer account through inheritance. If the existing Social Marketer already owns another Social Marketer account through inheritance, the Company will allow the multiple Beneficial Interest through inheritance for up to six (6) months, by which time the existing Social Marketer must have sold or otherwise transferred the existing or one of the inherited Social Marketer accounts.

4.10 TRANSFER UPON INCAPACITATION OF A SOCIAL MARKETER

To effect a transfer of a Modere Social Marketer account because of incapacity, the trustee or tutor must provide the following to Modere: (1) a legalised copy of an appointment as trustee or tutor; (2) a legalised copy of any document, including the authorisation handed down by the competent Court, establishing the trustee's or tutor's right to continue to administer the Modere business in the name of and on behalf of the former Social Marketer according to the applicable laws and regulations in this matter; (3) a completed Social Marketer Agreement executed by the trustee.

4.11 CHANGE OF SALES ORGANISATION

When a change occurs in a Sales Organisation due to lack of Business Activity or cancellation (voluntary or involuntary) of a Modere Social Marketer account, the Social Marketer agreement will be cancelled and the position will remain in an inactive status, maintaining the integrity of the organisation structure. The Customer Pod, if any, will be moved up to the next active upline Placement Sponsor. The Company, at its discretion, may elect to allow the position to be filled or restructure the organisation in a manner that serves the best

interests of the Company, the Sales Organisation and the Upline. Additionally, Modere reserves the right to move each Social Marketer enrolled or sponsored in the first level immediately below the terminated Social Marketer on the date of the cancellation to the first level ("front line") of the terminated Social Marketer's Enroller and Placement Sponsor.

4.12 ENROLLING

All Social Marketers in good standing have the right to enrol others into Modere. Each prospective Customer or Social Marketer has the ultimate right to choose his or her own Enrolment Sponsor. If two Social Marketers claim to be the enrolling Sponsor of the same new Social Marketer or Customer, the first properly completed application received and agreed by Modere shall be controlling, except pursuant to a determined breach of clause "Cross-Sponsoring". Customers may not sponsor or enrol Social Marketers into Modere.

In European countries served by Modere there may be differences in product availability, pricing structure, taxation regulations or legal requirements for conducting business. Modere can only provide basic information and it is the responsibility of the Social Marketer who wishes to sponsor in other countries to contact the relevant authorities in the foreign country concerned for any additional enquiries or information.

4.12.1 INTERNATIONAL MARKETING

Social Marketers who wish to sponsor individuals in other countries must comply with the applicable laws and policies and procedures of such countries. Social Marketers conducting or seeking to conduct business in international markets via their own or other websites must comply with clause "[Social Marketer Websites](#)", any other Modere Policies, as well as the laws and regulations of each country which has jurisdiction over their commercial and Internet activities, including but not limited to rules, laws and regulations pertaining to the confidentiality of consumer data, privacy rights, restrictions on telemarketing and restrictions on marketing over the Internet.

4.12.2 PLACING

Social Marketers may place a newly personally enrolled Social Marketer anywhere in their Sales Organisation within the 60-Day Placement programme and as approved by Modere. By doing so, the Placement Sponsor of the newly personally sponsored Social Marketer changes. The placement is permanent and may affect commission and bonus entitlements. Conditions apply to Placing. When placing a new Social Marketer who is affiliated to another Modere market, the other Modere's market terms and conditions for Placing apply.

4.13 CROSS-SPONSORING

Actual or attempted cross-sponsoring is strictly prohibited. "Cross-sponsoring" is defined as the recruiting or enrolment of an individual or entity that already has a current Customer account or Social Marketer Agreement on file with Modere, or who has had such an account or Agreement within the preceding twelve calendar months, with a different Enrolment Sponsor. The use of a spouse's or relative's name, trade names, assumed names, corporations, partnerships, trusts, or fictitious ID numbers to circumvent this policy is prohibited. Social Marketers shall not demean, discredit, or defame other Modere Social Marketers in an attempt to entice another Social Marketer to become part of the first Social Marketer's Sales Organisation. Furthermore, any act by a Social Marketer to sell or otherwise transfer any personally created motivational material, books, training aids or similar material to another Social Marketer who is not in the transferring Social Marketer's Sales Organisation shall be a violation of the provisions of this paragraph. This policy shall not prohibit the transfer of a Modere Social Marketer account in accordance with clause "[Sale, Transfer or Assignment of a Modere Social Marketer Account](#)".

4.14 CONFLICTS OF INTEREST

4.14.1 NON-SOLICITATION

1. During the term of this Agreement Social Marketers shall not "Recruit" (as defined below) other Modere Social Marketers or Customers for any other Direct Sales Company. In connection with this, a Social Marketer shall not act as a spokesperson for, or conduct promotional activities of any nature for, any other Direct Sales Company.

In addition, Social Marketers shall not engage in cold solicitation of Modere Customers with whom they have no personal relationship. Any act by a Social Marketer to entice a Modere Customer away from providing business to, or otherwise participating in Modere with, another Social Marketer is strictly prohibited. Notwithstanding the foregoing, a Modere Social Marketer may conduct market advertising and solicitation, so long as this activity does not specifically target existing Modere Customers.

2. For one year following the termination or cancellation of a Social Marketer's Modere Social Marketer Agreement, regardless of the reason for termination or cancellation, he or she shall not Recruit any Modere Social Marketer or Customer who is on his or her current or past Sales Organisation report(s) or with whom the Social Marketer became acquainted by virtue of his or her participation as a Modere Social Marketer.
3. Notwithstanding paragraphs 1 and 2, it is permissible for a Social Marketer to Recruit his or her personally enrolled Social Marketers and immediate family members (parents, siblings, and children over the age of 18) for another Direct Sales Company. A "personally enrolled" Social Marketer is any Social Marketer that is originally enrolled by the Social Marketer who is identified as the Sponsor on a new Social Marketer Application.
4. The term "Recruit" means actual or attempted solicitation, enrolment, encouragement, or effort to influence in any other way, either directly, through a third party, or indirectly (including but not limited to, the use of a website or social media), another Modere Social Marketer or Customer to enrol or participate in another Direct Sales Company. This conduct constitutes recruiting even if the Social Marketer's actions are in response to an enquiry made by another Modere Social Marketer or Customer.
5. Social Marketers stipulate that network marketing is conducted through networks of individuals that are dispersed across the globe, and that network marketers make regular use of the internet and telephones to communicate with other network marketers. Therefore, any attempt to limit the geographic scope of the non-solicitation provisions set forth in paragraphs 1 and 2 would render the provisions ineffective. Therefore, Social Marketer agrees that the non-solicitation provisions in paragraphs 1 and 2 shall apply in all countries in which Modere conducts business. Social Marketer agrees that the geographic scope applicable to these provisions is reasonable and further waives any claim or defence that the non-solicitation provisions are void or voidable based on the breadth of their geographic scope.
6. Social Marketer agrees that if he or she violates the terms of paragraphs 1 and 2, Modere will be irreparably harmed, but calculation of damages will be extremely difficult. The parties therefore stipulate that for each violation of such paragraphs, Modere shall be entitled to immediate injunctive relief and liquidated damages in the amount of €1700.00 for each occurrence. Each individual or entity solicited shall constitute a separate "occurrence," and separate solicitations of the same individual or entity shall also constitute a separate "occurrence."
7. In addition to the terms of Section 5.3.1, Modere reserves the right to limit or exclude public recognition and exposure of Social Marketers who participate in another Direct Sales Company or marketing opportunities which are in competition with those promoted by Modere. This includes, but is not limited to, activities such as spotlights in Modere communications and websites, event recognition, Modere incentive trips and other forums which are public in nature.

4.14.2 OTHER MARKETING OPPORTUNITIES

Social Marketers shall not offer the Modere opportunity, products or services to prospective or existing Modere Customers or Social Marketers in conjunction with any non-Modere programme, opportunity, product, or service, nor shall Social Marketers offer any non-Modere opportunity, products, or services at any Modere related meeting, seminar, or convention, or immediately following such event.

4.14.3 NON-COMPETE/EXCLUSIVITY

4.14.3.1 – Social Marketers acknowledge and agree that a Social Marketer who has achieved the Social Marketer Rank of Elite 1 or higher is being compensated, recognised publicly and otherwise promoted by the Company as a Social Marketer leader. As an Elite 1 or higher Rank, you are reasonably expected to exclusively sell Modere Products, train Social Marketers in your team, and promote the Modere business opportunity and no other Direct Sales Company. Therefore, as a condition to receiving ongoing compensation specific to the Rank of Elite 1 or higher, including but not limited to Leadership Development Bonuses, Team Builder Bonus, Elite levels of Generational Unilevel commissions and 4 & More Elite Bonus and any updates or changes to the Compensation Plan exclusive to Elite 1 or higher, as well as recognition as an Elite leader or higher at Company events, you may not be engaged in any Business Activity for any other Direct Sales Company.

4.14.3.2 – If you engage in Business Activity for any other Direct Sales Company while you are a Modere Social Marketer with the Rank of Elite 1 or higher, then your Social Marketer account will not be eligible to receive any Elite Rank specific bonuses on Social Marketers in your organisation during any period in which you, or any Beneficial Interest holder, (1) engage in any Business Activity, or (2) maintain an interest in any form with respect to another Direct Sales Company, regardless of having met the qualification requirements for said bonuses.

4.14.3.3 – Prior to engagement in any Business Activity for any other Direct Sales Company, you agree to notify the Company that you, or any Beneficial Interest holder, is intending to engage in such Business Activity. You further agree that upon engaging in such Business Activity, you will no longer be eligible to receive any Elite Rank specific bonuses on Social Marketers in your organisation as outlined in the preceding paragraph. You further agree that (1) you will be liable to refund to the Company any such Elite Rank specific commissions and bonuses paid to you during any period following your engagement in any such Business Activity whether or not you provide the notice to the Company as required by this paragraph, and (2) the Company will have the right to recover any such amount by offsetting such liability against any other Bonuses, past, present or future, that may be payable to you under the Compensation Plan. Failure to notify the Company of your engagement in any Business Activity for any other Direct Sales Company will be considered a violation of these Policies and Procedures and may result in other action being taken by the Company, up to and including termination of your Social Marketer account.

4.15 BONUS BUYING PROHIBITED

Bonus buying is strictly and absolutely prohibited. Bonus buying includes (a) the enrolment of individuals or entities without the knowledge of and/or execution of an Independent Social Marketer Application and Agreement by such individuals or entities; (b) the fraudulent enrolment of an individual or entity as a Social Marketer or Customer; (c) the enrolment or attempted enrolment of non-existent individuals or entities as Social Marketers or Customers (“phantoms”); (d) purchasing Modere products or services on behalf of another Social Marketer, or under another Social Marketer’s I.D. information to qualify for commissions or bonuses unless explicitly authorised by Modere; no authorisation can be given by Modere for a Social Marketer to purchase products or services on behalf of a Customer to qualify for commissions or bonuses; or (e) purchasing more product than a Social Marketer and his or her family can reasonably consume in a month.

4.16 STACKING

“Stacking” is strictly prohibited. The term “stacking” includes: (a) providing financial assistance to Social Marketers or Customers for the purpose of maximising compensation pursuant to Modere’s Compensation Plan; (b) violating the “One Modere Account per Social Marketer” rule; and/or (c) enrolling fictitious individuals or entities into the Modere Compensation Plan.

4.17 LOANS AND COMMISSION ADVANCES

Social Marketers shall not request from the Company any type of loan or advance on Social Marketer commission or bonuses.

4.18 EXCESS INVENTORY PURCHASES PROHIBITED

Social Marketers are not required to carry inventory of products or sales aids. To ensure that Social Marketers are not encumbered with excess inventory, such inventory may be returned to Modere upon the Social Marketer’s cancellation pursuant to the terms of clause ["Return of Inventory and Sales Aids by Social Marketers"](#). Modere strictly prohibits the purchase of products in unreasonable

amounts primarily for the purpose of qualifying for commissions, bonuses, or advancement in the Compensation Plan. Social Marketers may not purchase more inventory than they can reasonably resell or consume in a month, nor may they encourage others to do so. Social Marketers may be required to certify that they have consumed or supplied no less than 70% of all products purchased by them, prior to making additional purchases.

4.19 REPACKAGING AND RELABELLING PROHIBITED

Social Marketers may not repackage, relabel, refill, or alter the labels on any Modere products, information, materials, or programmes in any way. Modere products must be sold in their original containers only. Such relabelling or repackaging would likely violate local laws, which could result in severe criminal penalties. A Social Marketer may also be subject to civil liability as a consequence of the repackaging or relabelling of products.

4.20 HOLDING APPLICATIONS OR ORDERS

Social Marketers, whether the actual Sponsor or not, shall not manipulate applications of new applicants and purchases of products. All Social Marketer Applications and Agreements and product orders must be communicated to Modere within seven working days from the time they are signed by a Social Marketer or placed by a Customer, respectively.

4.21 SELF-BILLING: ACCEPTANCE AND LEGAL FRAMEWORK

The Social Marketer agrees to accept the self-billing application in the calculation of the commission paid by Modere to the Social Marketer. As a company registered in Belgium, Modere chose to apply the legal instruction E.T. 123.724 (53/2013) dated December 16, 2013, available from the Belgian VAT authorities. Modere agrees to pay commission entitlements to the Social Marketer according to the Modere Compensation Plan and supplies the Social Marketer with an electronic self-bill (together with the Commission Statement). VAT is not applicable to the commission stated on the self-bill. It is the Social Marketers' responsibility to maintain their own records and to retain copies of the self-bill. Social Marketers should seek personal advice from their own accountants and it is their responsibility to notify their local VAT office on the application of the self-billing and VAT as applied by Modere. The self-bills are produced to reflect commission calculations related to Social Marketer compensation in accordance with the Compensation Plan as well as any other Modere income. In cases where the Social Marketer does not accept the calculation, the Social Marketer must notify the Company within 60 calendar days.

4.22 INCOME TAXES

Each Social Marketer is responsible for paying the required taxes on any income generated as an Independent Social Marketer. Every year, Modere will issue an annual income statement in accordance with the criteria set by the Belgian government to Social Marketers who earn commission at or above the threshold set by the Belgian government.

4.23 INSURANCE

4.23.1 BUSINESS PURSUITS COVERAGE

Social Marketers are encouraged to contact their insurance agent and make arrangements to obtain personal insurance coverage for their business activities and business travel. A homeowner's insurance policy may not cover business-related injuries or the theft of or damage to inventory or business equipment.

4.23.1.1 France

VDI mandataire Social Marketers are prohibited from reselling Modere products. The reference to "theft of or damage to inventory" above is not applicable to these Social Marketers.

4.23.2 PRODUCT LIABILITY COVERAGE

Modere maintains insurance to protect the Company and Social Marketers against product liability claims, so long as the Social Marketers are marketing Modere products in accordance with Company policies and procedures and applicable laws and regulations. Modere's product liability policy does not extend coverage to claims or actions that arise because of a Social Marketer's misconduct in marketing the products.

4.23.2.1 France

The reference to “marketing products” should be understood by Modere VDI mandataire as “promoting products” and may not be read as “reselling products”.

4.24 ADVERTISING

4.24.1 GENERAL

All Social Marketers shall safeguard and promote the good reputation of Modere and its products. The marketing and promotion of Modere, the Modere opportunity, the Compensation Plan, and Modere products and services shall be consistent with public interest, and must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct or practices. Social Marketers must promote and offer the Modere business and products in a manner that is consistent with the methods in the Company’s materials.

Social Marketers may not create, publish or use marketing or training systems pertaining to the Modere business or products that are not approved by the Company in writing. Social Marketers may not use any contracts or forms that the Company does not publish. Social Marketers may not require or encourage other current or prospective Customers or Social Marketers to execute any agreement or contract other than the official Modere agreements required to become an Independent Social Marketer.

Accordingly, Social Marketers must submit all written sales aids, promotional materials, advertisements, and other literature (including proposed Internet advertising) to the Modere Social Marketer Education & Compliance Department (compliance@modere.eu) for approval. Unless the Social Marketer receives specific written approval to use the material, the request shall be deemed denied. If the Social Marketer makes changes to Social Marketer advertising material, the revised advertising material must be submitted to the Modere Social Marketer Education & Compliance Department (compliance@modere.eu) for review and approval prior to being used.

4.24.2 – MARKETING AND TRAINING MATERIALS

Social Marketers who sell independent, industry generic, support materials, systems and services must first disclose their independent business and its intent and purpose to the Company, through the Social Marketer Education & Compliance Department (compliance@modere.eu). Additionally, Social Marketers must adhere to the following guidelines in the promotion of their independent business:

1. keep the business completely separate from all Modere Business Activity online, in social media pages and groups and in any advertising. Additionally, no promotion or sales of any non-Modere materials at or in conjunction with Modere corporate events.
2. must not use any Modere Trademarks or commonly used terms pertaining to the Modere Business model in any advertising that might target groups or individuals related to Modere.
3. make absolutely no promotion to their own Organisation through the confidential Sales Organisation Reports provided by the Company.
4. must not make use of any hashtags or links on any Modere site or group, or Modere-specific post on a social media platform, that will direct Social Marketers to their independent business tools or services, or other pages where it is promoted and then linked to their independent business tools or services. When posting content related to the independent business on personal social media platforms should not “tag” other Social Marketers in the post.
5. in the collection of personal information through independent business, Social Marketers shall make every effort to identify existing Modere Social Marketers and manage business with them in accordance with the terms of the Policies and Procedures.
6. cannot state or imply to their Organisation that they are required to or must utilise their materials or services.

4.24.3 SOCIAL MARKETER WEBSITES

If a Social Marketer desires to utilise an internet web page to promote his or her business, he or she may do so through the Company’s official Social Marketer website, using official Modere templates. Alternatively, Social Marketers may develop their own web pages; however, any Social Marketer who does so (a) must use the text of the Company’s official website; (b) may not

supplement the content of his or her website with text from any source other than Modere; and (c) must adhere to all current legislation regarding the safe-keeping and privacy of personal data. Social Marketers who develop or publish their own websites must register their site(s) with the Modere Social Marketer Education & Compliance Department (compliance@modere.eu) and receive written approval prior to public availability of the site(s).

4.24.3.1 – Failure to register a website constitutes a material breach of these Policies and Procedures.

4.24.3.2 – Social Marketers shall not directly or indirectly offer or facilitate the offering of Modere products on or through any online auction or classified site, or any online marketplace.

4.24.4 – MODERE SOCIAL MEDIA POLICY

For the protection of the Social Marketer and the protection of Modere, Modere has set forth the following policies that are intended to govern the Social Marketer's conduct with regard to the use of social media websites in carrying on a Modere business.

1. Modere Social Marketers may choose to create a social media presence for themselves or their business with the understanding that establishment of such a presence is not an endorsement of the content by Modere. In so doing, Modere Social Marketers shall clearly identify themselves as "Independent Modere Social Marketer". Modere Social Marketers are solely responsible for the information they post on any social media outlet.
2. In using a social media outlet in connection with any Modere activity, Modere Social Marketers shall conduct themselves in keeping with the Modere Policies and Procedures and shall at all times comply with the terms and conditions of usage for any social media sites or services used.
3. Modere Social Marketers shall not use any Modere trademarks as part of their username/handle, group names, business pages or site names. Notwithstanding the foregoing, Social Marketers may create a username or page names in this manner: "Social Marketer Name - Independent Modere Social Marketer".
4. A Modere Social Marketer shall, upon request of Modere, remove any material deemed by Modere to be in breach of this policy.
5. Modere Social Marketers shall not expressly advertise the sale of or try to sell Modere products through the use of a social media site or otherwise use a social media outlet to cold contact others for selling.
6. Modere Social Marketers shall not spam via social media sites nor send any unsolicited commercial messages to any person through use of a social media outlet.
7. Modere Social Marketers may refer persons to their personalised Modere web page or to the Company's official Social Marketer website but should not try to do individual business transactions or conduct any recruiting activities via a social media site or service. If someone expresses interest in the Modere business opportunity via a social media outlet to a Modere Social Marketer, the Social Marketer shall follow up privately with that person and not through the public forum provided by the social media outlet. Posting of information regarding business opportunity meetings is allowed if it is specifically identified as a business opportunity meeting.
8. Any claims made regarding Modere products or the business opportunity must be in line with official Modere literature.
9. 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.
10. Modere supports the utilisation of various community groups and forums specifically for the purpose of sharing information with prospects. Any prospect added to such a forum must be done with that individual's prior approval. Once added to a forum by a specific Social Marketer, no other Social Marketer should attempt to solicit or entice the prospect to join their Organisation contrary to clause "[Cross-Sponsoring](#)".
11. Modere Social Marketers shall not post derogatory or negative comments about other persons, companies, or products of other companies.
12. Modere Social Marketers agree to indemnify Modere for any costs or damages it may incur from any legal proceedings that arise from the Modere Social Marketer's deliberate use of social media sites or services.
13. In the event of a cancellation of Modere Social Marketer status, the former Social Marketer is required to remove all references to Modere from their social media posts within seven (7) days.

4.24.5 DOMAIN NAMES AND EMAIL ADDRESSES

Social Marketers may not use or attempt to register any of Modere's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any internet domain name. Similarly, Social Marketers may not use any such marks in any portion of any email address.

4.24.6 TRADEMARKS AND COPYRIGHTS

Modere will not allow the use of its trade names, trademarks, designs, or symbols by any person, including Modere Social Marketers, without its prior, written permission. In connection with this, Modere Social Marketers may not bid on Modere trademarked keywords or use non-approved images for paid advertisements such as Google ads or Facebook ads. Furthermore, Social Marketers may not produce for sale or distribution any recorded Company events and speeches without written permission from Modere, nor may Social Marketers reproduce for sale or for personal use any recording of Company-produced audio or video presentations. The name of Modere, Modere Product, and other names as may be adopted by Modere are proprietary trade names, trademarks, and service marks of Modere. As such, these marks are of great value to Modere and are supplied to Social Marketers for their use only in an expressly authorised manner. Use of the Modere name on any item not produced by the Company is prohibited except as follows:

Social Marketer's Name
Independent Modere Social Marketer

All Social Marketers may list themselves as an "Independent Modere Social Marketer" in the white or yellow pages of the telephone directory under their own name. No Social Marketer may place telephone directory display ads using Modere's name or logo. Social Marketers may not answer the telephone by saying "Modere," "Modere Incorporated," or in any other manner that would lead callers to believe that they have reached the offices of Modere.

4.24.7 MASS MEDIA AND MEDIA INTERVIEWS

Social Marketers may not use any form of media or other mass communication advertising method to promote the Products, including mass communication advertising on the Internet. This includes news stories or promotional pieces on TV shows, newscasts, entertainment shows, internet ads, etc. Products may be promoted only by personal contact or by literature produced and distributed by the Company or by Social Marketers in accordance with these Policies and Procedures. Social Marketers may place generic opportunity advertisements in jurisdictions allowing that type of advertisement, but only in accordance with the Policies and Procedures of Modere. Social Marketers may not promote the Products (or results, benefits, ingredients etc. of product(s) in a generic or other non-direct manner) or opportunity through interviews with the media, articles in publications, news reports, or any other public information, trade, or industry information source, unless specifically authorised, in writing, by Modere. This includes private, paid membership, or "closed group" publications. Social Marketers may not speak to the media on the Company's behalf and may not represent that they have been authorised by the Company to speak on its behalf. All media contacts or media enquiries should be immediately referred to Modere's Public Relations Department by submitting the request to the Modere Social Marketer Education & Compliance Department (compliance@modere.eu).

4.24.8 HELP WANTED ADS

Social Marketers shall not advertise in the "Help Wanted" section of newspapers, periodicals, websites, or other media. Under no circumstances shall a Social Marketer place an advertisement seeking to attract new Social Marketers that states or implies that an employment opportunity exists. All advertisements, regardless of the media utilised, must specify that the Modere programme is an opportunity to run one's own independent business.

4.24.9 SPAMMING AND UNSOLICITED COMMUNICATIONS

Except as provided in this clause, Social Marketers may not use or transmit unsolicited faxes, mass e-mail distribution, unsolicited e-mail, text messages (SMS) or any other kind of electronic "spamming" relative to the operation of their Modere business. The term "unsolicited" means the transmission of any unasked-for material or information advertising or promoting Modere, its products, its

Compensation Plan or any other aspect of the Company which is transmitted to any person. This term “unsolicited” does not include communications sent (a) to any person with that person’s prior express invitation or permission; or (b) to any person with whom the Social Marketer has an established business or personal relationship. The term “established business or personal relationship” means a prior or existing relationship formed by a voluntary two-way communication between a Social Marketer and a person, on the basis of (1) an enquiry, application, purchase, or transaction by the person regarding products promoted by such Social Marketer; or (2) a personal or familial relationship, which relationship has not been previously terminated by either party.

4.25 TELEMARKETING TECHNIQUES

The use of any automated telephone solicitation equipment or “boiler-room” telemarketing operations in connection with the marketing or promotion of Modere, its products, or the opportunity is prohibited.

4.26 COMMERCIAL RETAIL OUTLETS

Modere strongly encourages the retailing and selling of its products and services through person-to-person contact and through the Company’s official website. In an effort to reinforce this method of marketing and to help provide a standard of fairness for its Social Marketer base, Modere generally prohibits Social Marketers from displaying or selling Modere products and services in any retail or service establishment. Notwithstanding the foregoing, to the extent permitted by applicable law, Modere products may be displayed in health spas, hair, or skin salons, tanning salons, gyms or health clubs, offices of health care practitioners who are licensed to practice their profession in the country in which their office is located. Also, the establishment or someone in the establishment must be a Social Marketer, and someone knowledgeable about Modere products and services must be present at all times that the establishment is open for business.

4.26.1 FRANCE

Modere VDI mandataire Social Marketers are prohibited from reselling Modere products and services.

4.27 TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS

Social Marketers may display Modere Product at trade shows and professional exhibitions. Before submitting a deposit to the event promoter, Social Marketers must contact the Modere Social Marketer Education & Compliance Department (compliance@modere.eu) in writing for conditional approval, as Modere’s policy is to authorise only one Modere business per event. Final approval will be granted to the first Social Marketer who submits an official advertisement of the event, a copy of the contract signed by both the Social Marketer 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 Modere. Modere further reserves the right to refuse authorisation to participate at any function which it does not deem a suitable forum for the promotion of its products, services, or the Modere 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 Modere wishes to portray.

4.28 GOVERNMENTAL APPROVAL OR ENDORSEMENT

Neither federal nor local regulatory agencies or officials approve or endorse any direct selling or network marketing companies or programmes. Therefore, Social Marketers shall not represent or imply that Modere or its Compensation Plan have been “approved,” “endorsed,” or otherwise sanctioned by any government agency.

4.29 DIRECT SELLING ASSOCIATIONS

As Modere is a member of national and international direct selling associations, Social Marketers must, in carrying out their businesses, strictly comply with the applicable standards of conduct set up by these associations for the members and their independent marketers.

4.29.1 FRANCE

Social Marketers with a billing address in France must adhere to the [Code éthique de la Vente Directe](#) of the *Fédération de la Vente Directe* which is available on their website www.fvd.fr.

4.29.2 UNITED KINGDOM

Social Marketers with a billing address in the United Kingdom must adhere to the [Code of Business Conduct](#) of the Direct Selling Association which is available on their website www.dsa.org.uk.

4.30 ADHERENCE TO LAWS AND ORDINANCES

Social Marketers must at all times respect the laws and regulations of the countries in which they conduct their Modere Social Marketer business. Social Marketers must also respect the laws and regulations that transcend borders, including EU Regulation 2016/679 (General Data Protection Regulation or “GDPR”). In relation to GDPR in particular, Social Marketers shall:

- a. implement appropriate technical, physical and organisational security measures to adequately ensure the confidentiality and integrity of Personal Data they process pursuant to this Agreement;
- b. only use processors and/or sub-processors when they have security and confidentiality guarantees consistent with this clause;
- c. immediately notify Modere, in writing, of the following:
 - i. a Data Subject’s request to access, rectify, erase, transport, object to or restrict the processing of Personal Data pursuant to this Agreement;
 - ii. any request or complaint received from Modere Customers, Social Marketers or employees;
 - iii. any request, complaint investigation, or other inquiry from a Data Protection Authority; and
 - iv. any request for disclosure of information from a public entity regarding the processing of Personal Data under this Agreement.

Many countries have laws regulating certain home-based businesses. In some cases, these ordinances are not applicable to Social Marketers because of the nature of their business. However, Social Marketers must at all times comply with all laws that do apply to them.

4.31 UNAUTHORISED CLAIMS AND ACTIONS

4.31.1 INCOME CLAIMS

In their enthusiasm to sponsor prospective Social Marketers, some Social Marketers are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new Social Marketers may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. Moreover, several countries have laws or regulations that restrict or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. Therefore, Social Marketers may not make income projections, income claims, representations, or disclose their Modere income or the income of any other Modere Social Marketer (including the showing of commission statements, copies of statements, bank statements, or tax records).

4.31.2 PRODUCT CLAIMS

No claims (including personal testimonials) as to therapeutic, curative, or beneficial properties of any products offered by Modere may be made except those contained in official Modere literature. In particular, no Social Marketer may make any claim that Modere products are useful in the cure, treatment, diagnosis, mitigation, or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only are such claims conflicting with Modere policies, but they potentially violate local laws and regulations, including, but not limited to, the EU Health Claims Regulation No. 1924/2006 and Regulation (EC) N° 1223/2009 on Cosmetic Products.

4.31.3 INDEMNIFICATION

A Social Marketer is fully responsible for all their verbal and written statements regarding Modere products, services, and the Compensation Plan which are not expressly contained in official Modere materials. Social Marketers agree to indemnify Modere and Modere’s directors, officers, employees, and agents and hold them harmless from any and all liability, including judgments, civil

penalties, refunds, attorney fees, court costs, or lost business incurred by Modere as a result of the Social Marketer's unauthorised representations or actions. This provision shall survive the termination of the Social Marketer Agreement.

4.32 MODERE EVENTS

From time to time, Modere may organise meetings and training sessions. All attendees of such events are prohibited to communicate in any shape or form with other attendees on any business opportunities other than those offered by or relating to Modere without prior authorisation from Modere. Recording devices are not permitted at these sessions. All presentations, communications and information presented by a Social Marketer at Modere meetings and training sessions shall avoid express or implied discriminatory or offensive references to political, sexual, religious or racial matters. Fees if charged for a meeting or training session are not refundable.

4.33 SOCIAL MARKETER ORIGINATED EVENTS

Social Marketers must ensure that invitations to prospective Customers and Social Marketers to attend presentations be truthful and accurate and they should make clear the purpose of the occasion, describe the goods supplied by Modere, and state the name and address of the promoter(s).

4.33.1 THE UNITED KINGDOM

An invitation should contain the following wording: "It is illegal for a promoter or a participant in a trading scheme to persuade anyone to make a payment by promising benefits from getting others to join a scheme. Do not be misled by claims that high earnings are easily achieved."

SECTION 5: RESPONSIBILITIES OF SOCIAL MARKETERS

5.1 CHANGE OF PERSONAL DATA

If the personal data of Social Marketers collected pursuant to this Agreement has changed, the Social Marketers themselves must notify Modere of the change in writing or update that personal data through their account on the Modere website or Shifting Retail as applicable. All communications to Modere regarding the change of personal data must come to Modere from the email address as provided to Modere pursuant to this Agreement.

5.2 ANNUAL SOCIAL MARKETER FEE

Social Marketers will be required to pay a fee on the anniversary date of their enrolment as a Modere Social Marketer. Modere charges a reasonable annual Social Marketer fee for reimbursement to Modere of any expense for the administrative management of the Modere Social Marketer account including access to a private area on Shifting Retail. Social Marketers are required to pay the annual Social Marketer fee on the specified anniversary date. The Social Marketer fee may be automatically charged to a credit card on file or deducted from the Social Marketer's future earnings following the anniversary date. Failure to make the required payment when due will result in the cancellation of the Social Marketer Agreement whereupon the Social Marketer loses all title, rights, and interest in the Social Marketer's Sales Organisation. The amount of the annual Social Marketer fee is published by Modere on Shifting Retail.

5.3 CONTINUING DEVELOPMENT OBLIGATIONS

5.3.1 ONGOING TRAINING

5.3.1.1 - Social Marketers who sponsor one or more Social Marketers into Modere must perform a bona fide assistance and training function to ensure that their Sales Organisation is properly operating their Modere business. Social Marketers must have ongoing contact and communication with the Social Marketers in their Sales Organisation. Examples of such contact and communication may include, but are not limited to, newsletters, written correspondence, personal meetings, telephone contact, voicemail, electronic mail, and the accompaniment of Social Marketers in their Sales Organisation to Modere meetings, training sessions, and other functions.

Upline Social Marketers are also responsible to motivate and train new Social Marketers in Modere product knowledge, effective sales techniques, the Modere Compensation Plan, and compliance with Company Policies and Procedures. During communication with and the training of their Sales Organisation, Social Marketers must not, however, violate the clause regarding the development of Social Marketer-produced sales aids and promotional materials. Social Marketers must monitor the Social Marketers in their Sales Organisation to ensure that these Social Marketers do not make improper product or business claims or engage in any illegal or inappropriate conduct. Upon request, every Social Marketer must be able to provide documented evidence to Modere of his or her ongoing fulfilment of the responsibilities of an Enrolment Sponsor.

5.3.1.2 – Further, if you are an Elite Rank Social Marketer, you are being compensated, recognised publicly and otherwise promoted by the Company as a Social Marketer leader. Therefore, as an Elite Rank Social Marketer, you are reasonably expected to fulfil additional ongoing training obligations as follows:

- a. Elite Social Marketer agrees to maintain regular direct contact with existing Social Marketer Leaders (Director and above) in their organisation.
- b. Elite Social Marketer must maintain a visible, public engagement in social media, for example with a minimum of 2 posts each month with clear connection and/or reference to Modere.
- c. Elite Social Marketer must host a minimum of two training meetings for organisation (possible formats include in-person, Zoom or other web-based meeting or conference call) each month.
- d. Elite Social Marketer will make their best effort to attend corporate-led Elite information and strategy calls (possible formats include Zoom or other web-based meeting or conference call) each month.
- e. Elite Social Marketer agrees to commit to attendance at Company events (i.e. Social Retail Conference, Escape and other regional or virtual events) wherever possible. Any extenuating circumstances that may prevent attendance should be communicated with as much advance notice as possible. If unable to attend, Social Marketer will communicate with organisation support of the event and encourage attendance.

Failure to fulfil any of these obligations will result in your Social Marketer account being subject to potential measures and consequences in accordance with Section "[Dispute Resolution and Disciplinary Proceedings](#)". Additionally, your Social Marketer account will not be eligible to receive any compensation specific to the rank of Elite 1 or higher, including but not limited to Leadership Development Bonuses, Team Builder Bonus, Elite levels of Generational Unilevel commissions and 4 & More Elite Bonus and any updates or changes to the Compensation Plan on Social Marketers in your organisation until such time that you have provided documented proof of the fulfilment of the required obligations.

5.3.2 ONGOING SALES RESPONSIBILITIES

Regardless of their level of achievement, Social Marketers have an ongoing obligation to continue to personally promote sales through the generation of new Customers.

5.4 NON-DISPARAGEMENT

Modere wants to provide its independent Social Marketers with the best products, compensation plan, and service in the industry. Accordingly, constructive criticism and comments are valued. All such comments should be submitted in writing to Modere. While Modere welcomes constructive input, negative comments and remarks made in the field by Social Marketers about the Company, its products, or Compensation Plan, serve no purpose other than to sour the enthusiasm of other Modere Social Marketers. For this reason, and to set the proper example for their Sales Organisation, Social Marketers must not disparage, demean, or make negative remarks about Modere, other Modere Social Marketers, Modere's products, the Compensation Plan, or Modere's directors, officers, or employees.

5.5 DETRIMENTAL CONDUCT

If any conduct by a Social Marketer or any participant in the Social Marketer account is determined by the Company to be injurious or harmful to the Company or to other Social Marketers, the Company may take appropriate action against a Social Marketer as set forth in Section "[Dispute Resolution and Disciplinary Proceedings](#)".

5.6 PRIVACY & CONSUMER DATA

Social Marketers must maintain the confidentiality of consumers and users of their personal websites by complying with the privacy laws of each country, including the European Union General Data Protection Regulation (GDPR), from which they receive consumer information.

Social Marketers must take appropriate steps to safeguard, protect and hold in strict confidence all personal data provided by a (retail) Customer, prospective (retail) Customers or other Social Marketers, as well as any personal data Modere provides to them via the Sales Organisation Reports and other documents. Social Marketers are responsible for the secure handling and storage of all documents that may contain such personal and confidential information.

Social Marketers must adopt, implement, and maintain appropriate administrative, technical, and physical safeguards to protect against anticipated threats or hazards to the security of confidential information and personal data. Appropriate safeguards may include but are not limited to: (i) encrypting data before electronically transmitting it; (ii) storing records in a secure location; (iii) password-protecting computer files; or (iv) shredding paper files containing confidential information or personal data. Social Marketers should retain documents containing such information only for as long as necessary to complete the transaction or as legally required. Social Marketers should dispose of any paper or electronic record containing personal data and other confidential information after use by taking all reasonable steps to destroy the information by: (a) shredding; (b) permanently erasing and deleting; or (c) otherwise modifying the personal data and other confidential information in those records to make it unreadable, not reconstructible, and indecipherable through any means.

Social Marketers must post on their personal websites, in a prominent location, a "Privacy Statement" that informs consumers whether or not personal information is being collected about them and how such information will be used. Social Marketers may not sell or trade consumer or site user information. Social Marketers may only use such information in connection with their Modere Business Activity. If any person or entity requests that their information not be processed, the Social Marketer must immediately honour such request and inform Modere without delay as stated in clause "Adherence to Laws and Ordinances". Failure to comply with Europe's General Data Protection Regulation (GDPR) requirements and these policies may constitute a breach of the Agreement and the Social Marketer account would be subject to further discipline in accordance with Section 12 of the Policies and Procedures.

5.7 REPORTING POLICY VIOLATIONS

Social Marketers observing a policy violation by other Social Marketers should submit a written report of the violation directly to the attention of the Modere Social Marketer Education & Compliance Department (compliance@modere.eu). Details of the incidents, such as dates, number of occurrences, persons involved, and any supporting documentation, should be included in the report. Because of the difficulties of investigating and asserting appropriate remedies for stale claims, any complaint for breach of the terms and conditions of the Agreement other than Non-Solicitation must be brought to the Company's attention for review within eighteen (18) months of the start of the alleged violation; Non-Solicitation violations must be brought to the Company's attention within six (6) months of the alleged violation. Failure to report a violation within that time period may result in the Company not pursuing the allegations in order to prevent the business from being negatively impacted due to stale claims. However, this policy does not waive the Company's right to investigate and discipline Social Marketers found guilty of the stale claims.

SECTION 6: COMMISSIONS AND BONUSES

6.1 COMMISSION AND BONUS QUALIFICATIONS

A Social Marketer must be active and in compliance with the Agreement to qualify for commission and bonuses. So long as a Social Marketer complies with the terms of the Agreement, Modere shall pay commission and bonuses to such Social Marketer in accordance with the Compensation Plan. The minimum amount for which Modere will issue a payment to a bank is stated on the

Company's official Social Marketer website, Shifting Retail. A Social Marketer can recover any commission amount for which payment was not issued by requesting payment from Modere in writing.

6.1.1 MAINTENANCE FEE

The maintenance fee is a service fee charged by Modere for the calculation of commission and bonuses. Modere will levy a maintenance fee on commission and bonuses paid out to a Social Marketer for each month commission and bonuses have been earned. All current fees are posted on Shifting Retail.

6.2 ADJUSTMENT TO COMMISSION AND BONUSES

6.2.1 ADJUSTMENTS FOR RETURNED PRODUCTS

Social Marketers receive commission and bonuses based on the actual sales of products and services to end consumers. When a product is returned to Modere for a refund or is repurchased by the Company, the refund or repurchase may reduce the Social Marketer's and his or her Upline's level of commission and/or bonuses in the month the product is returned.

6.2.2 OTHER DEDUCTIONS

Modere may deduct fees from a Social Marketer's commission and bonus entitlements for Sales Organisation Reports requested by a Social Marketer, and fees for other services provided by Modere, and for any other outstanding balance on a Social Marketer's Modere account. The Company further reserves the right to deduct sums from a Social Marketer's commission and bonus entitlement that constitute measures or consequences in accordance with Section "[Dispute Resolution and Disciplinary Proceedings](#)". Any required fees charged to become or remain a Social Marketer including any required additional service offered by the Company (e.g. on-line training, eCommerce or other internet solutions, shipment costs) shall be fully refundable in the event the Social Marketer terminates his/her distributorship within 30 days of payment of the fee(s). The refundable fees are limited to those paid by the Social Marketer in the 30 days prior to the termination of the Social Marketer Agreement.

6.3 SALES ORGANISATION REPORTS

Social Marketers may easily obtain a copy of their Sales Organisation Reports on Shifting Retail. Upon signing a Social Marketer Agreement, the Social Marketer agrees to maintain confidentiality regarding Sales Organisation Reports, and the information contained therein, and any other confidential information, trade secrets and proprietary information. This confidentiality obligation is irrevocable and permanent, remains after termination of the Agreement, and is subject to legal enforcement by injunction and award of costs and legal fees necessarily incurred. All confidential information is transmitted to, or allowed to be gathered by, Social Marketers in strictest confidence on a need-to-know basis for use solely in the Social Marketer Business Activity. Social Marketers must use their best efforts to keep such information confidential and must not disclose any such information to any third party, directly or indirectly. Social Marketers must not use the confidential information or any information derived therefrom to compete with the Company or for any purpose other than for promoting the Company's program and its products and services while adhering to all local laws and regulations that govern such promotion.

The Social Marketer maintains no ownership interest in any confidential information or any information derived therefrom, including contact and profile information of sales organisations, or other Social Marketer contact information gathered in connection with the Social Marketer's Business Activity, and may not sell, disseminate, or provide it to any other party. The Social Marketer acknowledges and agrees that the confidential information received by the Social Marketer relating to the profiles and reports of sales organisations or other Social Marketer information gathered in connection with the Social Marketer Business Activity, including any information derived therefrom, constitutes the Company's trade secrets.

Social Marketers shall use their Sales Organisation reports exclusively to aid in the development of their Modere business and to generate the sales of Modere products. Under no circumstances shall Social Marketers directly or indirectly disclose any Sales Organisation Reports, or any information contained in any Sales Organisation Report, to any third party for any reason. A Social Marketer must keep the contents of the Sales Organisation Reports secure and confidential.

6.4 RESEARCH FEES

Any request from a Social Marketer for copies of invoices, applications, Sales Organisation Reports, or other records may require a fee as periodically determined by Modere. Modere reserves the right to act upon the non-payment of any fees that are due as a result of the Social Marketer Agreement. All current fees are posted on Shifting Retail.

6.5 REPORTS

All information provided by Modere in online Reports, including but not limited to Activity, Customer and Organisation Points (or any part thereof) and Sales Organisation sponsoring activity, is believed to be accurate and reliable. Nevertheless, due to various factors, including the inherent possibility of human and mechanical error, the accuracy, completeness, and timeliness of orders, denial of credit card and electronic payments, returned products, and credit card and electronic payment chargebacks, the information is not guaranteed by Modere or any persons creating or transmitting the information. All Activity, Customer and Organisation Points information is provided "as is" without warranties, express or implied, or representations of any kind whatsoever. In particular but without limitation there shall be no warranties of merchantability, fitness for a particular use, or non-infringement. To the fullest extent permissible under applicable law, Modere and/or other persons creating or transmitting the information will in no event be liable to any Social Marketer or anyone else for any direct, indirect, consequential, incidental, special, or punitive damages that arise out of the use of or access to Activity, Customer and Organisation Points information (including but not limited to lost profits, commissions or bonuses, loss of opportunity, and damages that may result from inaccuracy, incompleteness, inconvenience, delay, or loss of the use of the information), even if Modere 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, Modere or other persons creating or transmitting the information shall have no responsibility or liability to the Social Marketer 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 Modere's online and telephone reporting services and reliance upon such information is at the Social Marketer's own risk. All such information is provided "as is." If a Social Marketer is dissatisfied with the accuracy or quality of the information, their sole and exclusive remedy is to discontinue use of and access to Modere's online and telephone reporting services and their reliance upon the information.

6.6 ERRORS AND QUESTIONS

If a Social Marketer has questions about or believes any errors have been made regarding commissions, bonuses, Sales Organisation Reports, or charges, the Social Marketer must notify Modere in writing within 60 calendar days of the date of the reported error or incident in question. Modere will not be responsible for any errors, omissions, or problems not reported to the Company within 60 calendar days.

SECTION 7: SALES REQUIREMENTS

7.1 PRODUCT SALES

The Modere Compensation Plan is based upon the sale of Modere products and services to end consumers. Social Marketers must fulfil personal and Sales Organisation sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for commission, bonuses, and advancement to higher levels of achievement. The following sales requirements must be satisfied for Social Marketers to be eligible for commission:

7.1.1 – Social Marketers may be required to certify that they have consumed or supplied no less than 70% of all products purchased by them in a given month.

7.1.2 – Social Marketers are prohibited from actively selling Modere products into locations outside of the European countries served by Modere. In European countries where Modere does not have an affiliated office, product purchases are for personal consumption only (NFR). Retailing is not allowed in these countries.

7.1.3 France: VDI mandataire Social Marketers must introduce the Modere products via personal contact, i.e. during person-to-person meetings. They may only purchase Modere products for personal consumption and use. They may not retail Modere products.

7.2 NO PRICE RESTRICTIONS

Social Marketers are not required to sell Modere products at the price set by Modere on the official Modere Price Lists. Social Marketers may sell Modere products at any price they choose in accordance with local laws and regulations.

7.2.1 FRANCE

VDI mandataire are prohibited from reselling Modere products.

7.3 SALES RECEIPTS

Modere encourages all Customers to purchase products directly from Modere and they will be provided with all necessary sales receipts. If a Social Marketer chooses to sell any Modere products directly to a retail customer, the Social Marketer must provide the retail customer with two copies of an official Modere Product Sales Receipt at the time of the sale. These receipts set forth the rights of cancellation of a Modere order, as well as any consumer protection rights afforded by law. Social Marketers must maintain all Product Sales Receipts for a period of two years and furnish them to Modere at the Company's request. Social Marketers must ensure that the following information is contained on each Product Sales Receipt: (1) the date of the transaction, (2) the date by which the buyer may give notice of cancellation which is dependent upon local consumer protection laws, and (3) the name and address of the selling Social Marketer, (4) the specifics of the transaction (products + price) and (5) any other legally required information. Retail customers must receive two copies of the Product Sales Receipt, which provides customers with written notice of their right to cancel the sales transaction. In addition, Social Marketers must orally inform the buyer of his or her cancellation rights.

7.3.1 FRANCE

All sales transactions mediated by VDI mandataire are finalised between Modere and the end consumers. Invoices will be issued by Modere to the end consumers.

SECTION 8: ORDERING

8.1 CUSTOMERS PURCHASING MODERE PRODUCTS

Modere's Social Retail model focuses on attracting and retaining Customers and growing a Customer Pod. Modere provide a compensation model that rewards Social Marketers for referring prospect Customers to the Company and by letting them order directly from Modere.

8.1.1 FRANCE

Customer purchases from Modere are limited to €400.00 inclusive of VAT per month.

8.2 SOCIAL MARKETER PURCHASING MODERE PRODUCTS

If a Social Marketer purchases products from another Social Marketer or any other source, the purchasing Social Marketer will not receive the Marketer Points that are associated with that purchase.

8.2.1 UNITED KINGDOM

Pursuant to the law governing our industry in the United Kingdom, Social Marketers with a billing address in the United Kingdom are not allowed to make an investment of more than £200 (inclusive of VAT) in the first seven days of their Agreement. Never be tempted to buy more stock than you are certain to sell, nor be tempted to 'buy' your way into a higher position in the Company's sales organisation.

8.3 GENERAL ORDER POLICIES

Modere Social Marketers must ensure to pay in full for their orders by any means acceptable to Modere. Major European credit cards are accepted. Other payment methods may vary by country. The currency of payment by Social Marketers and Customers with a billing address in the United Kingdom is the Pound Sterling, while it is the Euro for all other European countries supported by

Modere. In case of an unsuccessful payment, Modere may attempt to contact the Social Marketer by phone and/or e-mail for alternative payment details. If after five working days these attempts are unsuccessful, no order will be processed. Modere maintains no minimum order requirements. Orders for products and sales aids may be combined.

8.3.1 FRANCE

Sales commissions to be paid to VDI mandataire are calculated on the sales transactions which have been concluded and accepted by Modere.

SECTION 9: PRODUCT GUARANTEES, CONSUMER PROTECTION RIGHTS, RETURNS AND INVENTORY REPURCHASE

9.1 PRODUCT GUARANTEE AND CONSUMER PROTECTION RIGHTS

9.1.1 Modere offers a full refund when Social Marketers are not satisfied with a purchase or no longer wish for the purchase provided Modere is notified within 30 calendar days of the original shipment date of the goods. The return of the goods shall be at the cost of the purchaser. Modere also offers a full refund when Social Marketers have any other product or shipping complaints provided Modere is notified within 30 calendar days of the original shipment date of the goods. In case the reason of the return is damage to or nonconformity of the goods, Modere will reimburse the cost for the return of the goods. In all other cases, the physical return of the goods shall be at the cost of the purchaser.

9.1.1.1 Modere may offer a replacement for the goods in lieu of a refund if the Social Marketer so agrees.

9.1.1.2 Modere offers the same consumer protection rights to Modere Customers as to its Social Marketers.

9.1.2 Social Marketers must offer their retail customers at least the minimum consumer protection rights required under local law and state the period and conditions in writing and as feasible verbally when a sale is made.

9.1.3 Return of goods may result in a deduction of Marketer or Customer Points. Modere reserves the right to reclaim any commission, bonuses or other benefits that may have been granted on the basis of the returned goods.

9.1.4 In all cases, statutory consumer protection rights apply. Nothing in this Agreement affects or limits in any manner the Social Marketer's statutory rights as a purchaser of defective products.

9.1.5 Cooling-Off Period

When a Customer purchases product directly from a Modere Social Marketer, the Social Marketer shall grant the retail customer at least the minimum cooling-off period based on applicable in country law after the sale or execution of a contract to cancel the order and receive a full refund. When a Social Marketer makes a sale or takes an order from a retail customer who cancels or requests a refund within the stated period, the Social Marketer must promptly refund the Customer's money as long as the products are returned to the Social Marketer in substantially as good a condition as when received. Additionally, Social Marketers must orally inform retail customers of their right to rescind a purchase or an order within the legal period and ensure that the date of the order or purchase is entered on the order form.

9.1.6 Products Returned by Customers

If a retail customer returns a product to the Social Marketer from whom it was purchased, the Social Marketer may return it to the Company for an exchange or refund provided Modere is notified within 30 days of shipment of the goods to the Social Marketer. All products returned by retail customers must be returned to the Company within ten calendar days from the date on which the product was returned to the Social Marketer along with the invoice which Modere provided to the Social Marketer. The provisions of this clause do not affect the Social Marketer's rights under mandatory law.

9.1.7 FRANCE

VDI mandataire Social Marketers are prohibited from reselling Modere products. All sales transactions are finalised between Modere and the end consumers. Modere will guarantee the required statutory rights to the end consumers.

9.2 RETURN OF INVENTORY AND SALES AIDS BY SOCIAL MARKETERS UPON CANCELLATION

Upon cancellation of a Social Marketer's Agreement by the Social Marketer after the Policy Review Period beginning from the date of settlement of the registration fee, the Social Marketer may return inventory and sales aids purchased within the past 12 months for a refund if he or she is unable to sell or use the merchandise. A Social Marketer may only return products and sales aids purchased by him or her that are in re-saleable condition. Upon receipt of the products and sales aids, the Social Marketer will be reimbursed 90% of the cost of the original purchase price(s) inclusive of VAT when applicable, less shipping and handling charges. If the purchases were made through a credit or debit card, the refund will be credited back to the same account. The Company shall deduct from the reimbursement paid to the Social Marketer any commissions, bonuses, rebates, or other incentives received by the Social Marketer which were associated with the merchandise that is returned, as well as any other amounts that may be due by the Social Marketer to Modere.

9.2.1 OTHER RIGHTS

Modere will honour any buy-back rights required by relevant requirements of Direct Selling Association Codes of Conduct or any applicable laws to the extent they are more favourable.

9.3 PROCEDURES FOR ALL RETURNS TO MODERE

The following procedure applies to all returns for refund, repurchase, or replacement. Prior to returning goods, Social Marketers or Customers (combined "Modere Members") must contact Modere to request a Return Authorisation. All items must be returned by the Modere Members who purchased them directly from Modere. The completed Return Authorisation form and the original invoice referring to the purchase of the goods being returned must be included in the carton. Each carton must be marked with the Return Authorisation Number. Each product being returned must be returned in its original container. The risk of loss in shipping the returned product shall be on the Modere Members. If a returned product is not received by Modere, it is the responsibility of the Modere Members to trace the shipment. Without prejudice to a Social Marketer's rights under mandatory law, if a Social Marketer is returning product that was returned to him or her by a Customer, Modere will only refund or replace the goods if it is notified within the deadline specified above for the return of product. Each Modere Social Marketer shall ensure to grant at least the legally required statutory rights to Customers.

9.3.1 FRANCE

VDI mandataire Social Marketers are prohibited from reselling Modere Products. All sales transactions are finalised between Modere and the end consumers. These end consumers shall follow the same procedure to return products to Modere as explained in the clause above.

SECTION 10: PAYMENT AND SHIPPING

10.1 VALUE ADDED TAX

By virtue of its business operations, Modere is required to charge Value Added Tax (VAT) on all purchases made by Social Marketers and Customers, if these purchases are shipped within the European Union. Modere is also required to remit the VAT to the respective governments. Accordingly, Modere will collect and remit VAT on behalf of Social Marketers and Customers, based on the purchase price of the products, according to applicable VAT rates in the state to which the shipment is destined provided Modere is VAT registered in such destination. In the event that a Social Marketer sells product directly to a retail customer for a price greater than the purchase price, the Social Marketer will be responsible to collect and remit VAT on the sale.

10.1.1 FRANCE

VDI mandataire Social Marketers are prohibited from reselling Modere Products. All sales transactions are finalised between Modere and the end consumers. Modere will collect VAT from end consumers, based on the purchase price of the products, according to applicable VAT rates.

10.2 INSUFFICIENT FUNDS

It is the responsibility of each Social Marketer to ensure that there are sufficient funds or credit available in their bank account or on their card to cover all payments, including personal orders, fees, etc. Insufficient funds may result in a Social Marketer's failure to meet his or her Activity Points requirements for the month. Also, if a Social Marketer's account has insufficient funds for two months, there is a possibility that the Social Marketer account could be placed on probation and commission and bonus entitlements could be used to pay any balance owing.

10.3 INSUFFICIENT FUNDS TRANSACTIONS

All payments or electronic banking transactions returned by a Social Marketer's bank for insufficient funds will be re-submitted for payment. An administration fee may be charged to the account of the Social Marketer. If Modere experiences a failed electronic banking transaction from a Customer or a Social Marketer, Modere will require that all future orders be paid for by credit or debit card. Any outstanding balance owed to Modere by a Social Marketer for insufficient funds or return fees will be withheld from subsequent commission and bonus entitlements.

10.4 RESTRICTIONS ON THIRD-PARTY USE OF CREDIT CARDS AND BANK ACCOUNT ACCESS

The unauthorised use of another person's credit card constitutes credit card fraud. Social Marketers shall not permit other Social Marketers or Customers to use their credit card or permit debits to their bank accounts to sponsor or to make purchases from the Company. Social Marketers shall not maintain records or make use of other Social Marketers' or Customers' credit card information. If credit card fraud has been committed, disciplinary procedures will be commenced.

SECTION 11: INACTIVITY AND CANCELLATION

11.1 VOLUNTARY CANCELLATION

A Social Marketer, who is not in breach of the Agreement for any reason, may withdraw from the Agreement at any time, regardless of reason. Cancellation must be submitted to the Company on the Modere Social Marketer Account Cancellation Request form at its principal business address via post or via email. Mandatory information to complete in the form is: the Social Marketer's ID number, signature, full name as registered with Modere pursuant to the Agreement, address and contact information. The termination is effective on the date the Company process the termination. Processing the request may be delayed until the following month if there is volume in the current Volume Month. Social Marketers who are in breach of the Agreement cannot voluntarily or unilaterally terminate the Agreement and, in such a case, the Company may elect any and all available remedies for breach of the Agreement pursuant to section "[Dispute Resolution and Disciplinary Proceedings](#)", and the Social Marketer shall not be entitled to receive any commissions during such period, as determined by the Company in its sole discretion. Subsequent to the processing of the termination, the Company reserves the same rights as those outlined in clauses "[Change of Sales Organisation](#)", "[Effect of Cancellation](#)" and "[Cancellation due to Inactivity](#)", regarding the position.

11.2 EFFECT OF CANCELLATION

So long as a Social Marketer remains active and complies with the terms of the Social Marketer Agreement and these Policies and Procedures, Modere shall pay commission and bonuses to a Social Marketer in accordance with the Compensation Plan. A Social Marketer's commissions and bonuses constitute the entire consideration for the Social Marketer's efforts in generating sales and all activities related to generating sales (including building a Sales Organisation). A Social Marketer whose Social Marketer Agreement is cancelled will permanently lose all rights as a Social Marketer. This includes the right to sell Modere products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Social Marketer's former Sales Organisation. In the event of cancellation, Social Marketers agree to waive all rights they may have, including but not limited to property rights, to their former Sales Organisation and to any commissions, bonuses, or other remuneration derived from the sales and other activities of their former Sales Organisation. Upon cancellation, whether involuntary (termination) or voluntary, the company may retain and maintain qualifications of the Social Marketer account for a period of up to six (6) months or, if the Company is involved in any actual or threatened litigation or dispute related to the terminated Agreement, retain the Social Marketer

account for the time period encompassing the litigation or dispute and for a period of up to six (6) months following the resolution of any litigation or dispute.

Following a Social Marketer's cancellation of his or her Social Marketer Agreement, the former Social Marketer shall not represent himself or herself as a Modere Social Marketer and shall not have the right to sell Modere products or services.

A Social Marketer whose Social Marketer Agreement is cancelled shall receive commissions and bonuses only for the last full pay period during which he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

11.3 CANCELLATION DUE TO INACTIVITY

It is the Social Marketer's responsibility to lead his or her Sales Organisation with the proper example in personal production of sales to end-consumers. Although there is no personal purchase requirement to be eligible to earn commissions or bonuses, there is a Business Activity requirement to maintain status as a Social Marketer. If the Social Marketer has not engaged in Business Activity for a period of six (6) months, as determined by the Company in its sole discretion, the Company may cancel the Agreement and terminate the Social Marketer account. The Customer Pod will compress to the next active upline Placement Sponsor and the position may remain in an inactive status, maintaining the integrity of the organisation structure. Written confirmation of the cancellation will be provided by Modere. Once the Social Marketer Agreement is cancelled, the Social Marketer loses all title, rights, and interest in their former Sales Organisation.

11.4 INVOLUNTARY CANCELLATION (TERMINATION)

A Social Marketer's violation of any of the terms of the Agreement, including any amendments that may be made by Modere at its sole discretion, may result in any of the measures or consequences listed in clause "[Measures and Consequences](#)", including the involuntary cancellation (termination) of his or her Social Marketer Agreement. Cancellation shall be effective on the date on which written notice is mailed with return receipt or delivered by an express courier to the Social Marketer's last known address, or to his or her attorney, or when the Social Marketer receives actual notice of cancellation, whichever occurs first.

If a Social Marketer Agreement is involuntarily cancelled pursuant to this clause, the Social Marketer account may remain in its current position at the discretion of the Company with qualifications held and maintained, and its Sales Organisation will remain intact until the Company has recouped all costs and losses associated with the Social Marketer account's cancellation. Once the Company has recouped all costs and losses, the position will remain in an inactive status or the Company may elect to allow the position to be filled, restructure the organisation in a manner that serves the best interests of the Company, the Sales Organisation and upline, or the Social Marketer account may be terminated and remain as an inactive position, maintaining the integrity of the organisation's structure.

SECTION 12: DISPUTE RESOLUTION AND DISCIPLINARY

PROCEEDINGS

12.1 GRIEVANCES AND COMPLAINTS

When a Social Marketer has a grievance or complaint with another Social Marketer regarding any practice or conduct in relationship to their respective Modere businesses, the complaining Social Marketer should first report the problem to his or her Enrolment Sponsor, who should review the matter and try to resolve it with the other party's Enrolment Sponsor. If the matter cannot be resolved, it must be reported in writing to the Modere Social Marketer Education & Compliance Department (compliance@modere.eu). The Modere Social Marketer Education & Compliance Department will review the facts and resolve it.

12.2 MEASURES AND CONSEQUENCES

Violation of the Agreement or any illegal, fraudulent, deceptive, or unethical business conduct by a Social Marketer may result, at Modere's discretion, in one or more of the following measures and/or consequences:

- issuance of a written warning or admonition;
- requiring the Social Marketer to take immediate corrective measures, including but not limited to personally refunding Customers who may have been harmed by the Social Marketer's improper conduct;
- requiring an offending Social Marketer to pay for all refunds, rebates, or damages that Modere incurs as a result of the Social Marketer's improper conduct. Such sums may be deducted from the Social Marketer's commission and bonus entitlements;
- loss of rights to one or more commission and bonus entitlements;
- withhold from a Social Marketer all or part of the Social Marketer's commission and bonuses during the period that Modere is investigating any conduct allegedly in violation of the Agreement. If a Social Marketer account is cancelled for violation of the Agreement, the Social Marketer will not be entitled to recover any commissions and bonuses withheld during the investigation period;
- suspension of the individual's Social Marketer Agreement for one or more pay periods;
- involuntary termination of the offender's Social Marketer Agreement;
- any other measure expressly allowed within any provision of the Agreement or which Modere deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Social Marketer's policy violation or contractual breach;
- in situations deemed appropriate by Modere, the Company may institute legal proceedings for monetary and/or equitable relief.

12.3 APPEALS

If a Social Marketer wishes to appeal a measure or consequence applied by Modere in accordance with this Section 12, the Social Marketer's appeal must be in writing, sent via certified or registered letter with return receipt, and received by the Company within 15 days from the date of Modere's notice. If the appeal is not received by Modere within the 15-day period, the measure or consequence applied by Modere will be final. The Social Marketer must submit all supporting documentation with his or her appeal correspondence. If the Social Marketer files a timely appeal, Modere will review and reconsider the measure or consequence, consider any other appropriate action, and notify the Social Marketer in writing of its decision.

12.4 GOVERNING LAW, JURISDICTION AND VENUE

This Agreement, and all matters relating to this Agreement and any sales contract thereunder (its coming into existence, its interpretation, its validity, enforceability, termination, etc.) as well as all extra-contractual and/or tortious matters shall be governed by and construed in accordance with the laws of Belgium, without giving effect to any choice of law or conflict-of-laws rules or provisions (Belgian, foreign or international) including the United Nations Convention on Contracts for the International Sale of Goods (1980) ("Vienna Convention") (if applicable), that would cause the laws of any jurisdiction other than Belgium to be applicable. The parties hereby irrevocably and exclusively submit to the jurisdiction of the commercial court of Brussels in Belgium. This shall not affect Modere's right to submit such a dispute to a court of law which would have competent authority had this choice of forum not been made. If any provision of this Agreement is deemed void or voidable by any court properly vested with jurisdiction, only such limited portion of a provision as is found to be void or voidable shall be severed from the agreement and reformed to by the court in a manner that reflects the intent of the parties to the greatest extent possible.

SECTION 13: DEFINITIONS

Active Social Marketer: a Social Marketer who pays the annual Social Marketer fee and maintains minimum Activity Points, as set forth in the Modere Compensation Plan, to ensure that he or she is eligible to receive bonuses and commission on Sales Organisation activities.

Activity Points: the combined Point value of purchases by a Social Marketer and Points from their new Customers' first purchases.

Agreement: the contract between the Company and each Social Marketer, which includes the Social Marketer Application and Agreement, the Modere Policies and Procedures, the Modere Compensation Plan, and the Business Entity Application and Agreement (where appropriate), all in their current form and as amended by Modere at its sole discretion.

Beneficial Interest: a physical or legal entity is deemed to have a Beneficial Interest in a Social Marketer account if they: (1) have any direct or indirect ownership in a Social Marketer account as an individual, partner, shareholder, member, manager, beneficiary, trustee, officer, director or principal of a Social Marketer account; (2) have any actual or de facto control over a Social Marketer account; (3) receive any income directly or indirectly from a Social Marketer account (other than the receipt of income pursuant to the Compensation Plan by an Upline Social Marketer); (4) receive familial financial support from a Social Marketer account; (5) receive spousal financial support derived from a Social Marketer account; (6) are a member of the Social Marketer's immediate household; (7) are a spouse or co-habitant; or (8) have any other similar interest in a Social Marketer account.

Business Activity: Activities determined at the sole discretion of the Company to be a promotion of the Company's Products or business opportunity. Some of these activities include, but are not restricted to: signing a Social Marketer Application and Agreement form; advertising, selling or exhibiting Product; hosting, conducting, or speaking at meetings or events (whether hosted by the Company or by a Social Marketer); purchasing Modere product, exchanging, or returning Modere products; participating in the Compensation Plan, receiving periodic Company literature and other communications, participation in Company-sponsored support service training, motivational and recognition events; enrolling new Social Marketers; and/or selling of sales tools, websites, etc. to Social Marketers.

Cancellation: the termination of a Social Marketer's Agreement with Modere. Cancellation may be voluntary, involuntary, or through non-payment of the annual Social Marketer fee.

Commissionable Products/Services: all Modere products and services on which commission and bonuses are paid. Sales aids are not commissionable products.

Company: the term "Company" as it is used throughout the Agreement means Modere Europe BV.

Customer: a Customer who purchases Modere products directly from Modere operated websites or via the telephone but does not participate in the Compensation Plan.

Customer Points (CP): points from products purchased by Customers in a Social Marketer's Pod for qualification purposes.

Direct Sales Company: A company that for its sales activities to end customers, in addition to direct sales activities to end customers, mainly uses a sales force of independent contractors who distribute, offer for sale, sell and/or solicit or promote the sale of products and/or services and that compensates the independent contractors for (1) their own efforts and/or results in distributing, offering for sale, selling and/or soliciting or promoting sales of products and/or services, and/or (2) the efforts and/or results of other independent contractors who have in any form signed up, been enrolled under or (for any reason) have been allocated to or under, the independent contractors in distributing, offering for sale, selling and/or soliciting or promoting sales of products and/or services.

Enrolment Sponsor: a Social Marketer who is listed as the Sponsor on the Social Marketer Application and Agreement. With respect to Customers, the Enrolment Sponsor is the Modere Social Marketer or Customer who provided the Customer with a referral code which the Customer used to create a Modere account.

Marketer Points (MP): Points from products personally purchased by a Social Marketer.

Official Modere Material: literature, official Modere website publications, electronically stored information on USB flash drives, and other materials developed, printed, published, and distributed by Modere to Social Marketers.

Organisation Points: includes a Social Marketer's own MP and CP and all MP and CP from the Social Marketer's entire Sales Organisation for qualification purposes.

Placement sponsor: the sponsor assigned by the Enrolment Sponsor within the Placement programme as approved by Modere.

Purchase price: the price of Modere products and/or services that is paid to the Company by Social Marketers and Customers.

Recruit: for purposes of Modere's [Conflict of Interest Policy](#), the term "recruit" means actual or attempted solicitation, enrolment, encouragement, or effort to influence in any other way, either directly or through a third party, another Modere Social Marketer or Customer to enrol or participate in another Direct Sales Company. This conduct constitutes Recruiting even if the Social Marketer's actions are in response to an enquiry made by another Social Marketer or Customer.

Re-saleable: products and sales aids shall be deemed “re-saleable” if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labelling has not been altered or damaged; 3) the product and packaging are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) products are returned to Modere within 90 days from the date of purchase; 5) the product expiration date has not elapsed; and 6) the product contains current Modere labelling. Any merchandise that is clearly identified at the time of sale as non-returnable, discontinued, or as a seasonal item is not re-saleable.

Sales Organisation: all Social Marketers and Customer Pods beneath a Social Marketer.

Sales Organisation Reports: monthly reports generated by Modere that provide critical data relating to the identities of Social Marketers and personally referred Customers, sales information, and enrolment activity of each Social Marketer’s Sales Organisation. These reports contain confidential and trade secret information which is proprietary to Modere.

Social Marketer: an independent contractor who may retail Modere products, build a Sales Organisation and participate in the Modere Compensation Plan. Social Marketers are bound by the Agreement in conducting their Modere business.

Upline: the Sponsor and/or any and all Social Marketers up the line of sponsorship.

¹ VDI mandataire are prohibited from reselling Modere Products.



MODERE EUROPE BV
TELECOMLAAN 9 (B5)
1831 DIEGEM
BELGIUM

WWW.MODERE.EU

A company registered in Belgium | VAT Number BE 0893.292.596

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