

BODI®

U.S. DISTRIBUTOR POLICIES AND PROCEDURES

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SECTION 1 - INTRODUCTION

WELCOME TO BODi! You have joined a dynamic group of individuals who are dedicated to improving their health and that of their family and friends, while taking steps to improve their personal and financial wellbeing. Along the way we'll have a great time together and you will grow in ways you've probably never imagined. What follows are BODi's policies and procedures, which is frequently referred to as the "P&P." They are the rules of the road for your independent BODi business. By abiding by the letter and spirit of the rules, your business will stay on the right track.

INDIVIDUAL ARBITRATION AND CLASS ACTION WAIVER NOTICE: THE AGREEMENT CONTAINS A MANDATORY INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER, REQUIRING YOU TO RESOLVE ANY DISPUTE (AS DEFINED BELOW) BETWEEN YOU AND BODI THROUGH FINAL AND BINDING INDIVIDUAL ARBITRATION, INSTEAD OF IN COURT, AND REQUIRING YOU TO FOREGO ALL JURY TRIALS AND ALL CLASS, COLLECTIVE, CONSOLIDATED, AGGREGATE, MASS, AND REPRESENTATIVE PROCEEDINGS, AND ALL OTHER TYPES OF COURT PROCEEDINGS OF ANY AND EVERY KIND. BY AGREEING TO THE AGREEMENT, YOU EXPRESSLY ACKNOWLEDGE THAT YOU HAVE READ, CAREFULLY CONSIDERED, AND UNDERSTAND ALL OF THE PROVISIONS OF THE INDIVIDUAL ARBITRATION AGREEMENT AND CLASS ACTION WAIVER PROVISIONS, AND THAT YOU EXPRESSLY AGREE TO BE BOUND THEREBY.

1.1 The Agreement

Your Independent BODi Distributor contract includes several documents. In addition to the Terms and Conditions, your contract with BODi includes these Policies and Procedures and Compensation Plan, and if you enrolled as a business entity (such as an LLC or corporation), the Business Entity Application & Agreement. We will refer collectively to these documents as the "Agreement." The most current version of the Agreement will be posted on the BODi website, and within your Distributor Office. When the terms "We", the "Company" or "Our" are used in the Agreement, it means Beachbody, LLC, dba BODi, including its parent, subsidiary and affiliated entities (collectively, "BODi"). When the terms "You", "Your", "Distributor" or "Partner" are used herein, it means "Distributor."

1.2 Purpose of Policies

In addition to other sales channels, BODi markets its products through independent contractor sales representatives called "Distributors." To clearly define the relationship that exists between Distributors and BODi, and to explicitly set a standard for acceptable business conduct, BODi has established the Agreement.

BODi Distributors are required to read and comply with all of the terms and conditions set forth in the Agreement, as well as all federal, state, and local laws governing their BODi business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Agreement. Please review the information in this manual carefully. It explains and governs the relationship between you, as an independent contractor, and the Company. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from anyone in your upline or the Compliance Department at BODi. The Compliance Department may be reached via email at compliance@bodi.com.

1.3 Changes to the Agreement/Entire Agreement

Because federal, state, and local laws, as well as the business environment, periodically change, BODi reserves the right to amend the Agreement and its prices from time to time. By entering into the Agreement, a Distributor agrees to abide by the Agreement and financial terms of all amendments or modifications that BODi elects to make. Any of these changes will be effective 30 days after posting on the BODi website. The Company will provide or make available to all Distributors a complete copy of the amended provisions by one or more of the following methods: (1) posting on BODi's official website and/or (2) electronic mail (email). The continuation of a Distributor's BODi business or a Distributor's acceptance of bonuses or commissions constitutes acceptance of all amendments, and it shall also constitute adequate consideration to support all amendments. You may opt out of any proposed amendments by terminating the Agreement prior to the effective date of such proposed amendments.

The Agreement constitutes the final, exclusive and complete agreement between you and BODi regarding the subject matter hereof and supersedes all agreements, communications, understandings, and course of dealings between you and BODi. Distributor agrees that BODi has not made and is not making any representations or warranties whatsoever regarding the subject matter of the Agreement,

express or implied, except as explicitly stated in the Agreement, and that Distributor is not relying and has not relied on any representations or warranties whatsoever regarding the subject matter of this Agreement, express or implied, except for the representations and warranties in the Agreement.

1.4 Delays

BODi will 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, labor difficulties, riot, war, terrorism, acts of God, pandemics, acts of nature, acts beyond the reasonable control of BODi, fire, death, curtailment of a party's source of supply, or government decrees or orders.

1.5 Severability

If any provision of the Agreement is held to be invalid or unenforceable, such provision shall be stricken and reformed only to the extent necessary to make it enforceable, and the balance of the Agreement will remain in full force and effect. Distributor hereby agrees that the arbitrator or any adjudicator with appropriate jurisdiction pursuant to the Agreement shall enforce the Agreement to its fullest extent, while striking only those provisions that are found to be unenforceable, if any.

1.6 Waiver

BODi never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of your business. No failure of BODi to exercise any right or power under the Agreement or to insist upon strict compliance by a Distributor with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, will constitute a waiver of BODi's right to demand exact compliance with the Agreement. Waiver by BODi can be effectuated only in writing by an authorized officer of the Company. BODi's waiver of any particular breach by a Distributor will not affect or impair BODi's rights with respect to any subsequent breach, nor will it affect in any way the rights or obligations of any other Distributor. In addition, no delay or omission by BODi to exercise any right arising from a breach will affect or impair BODi's rights as to that or any subsequent breach.

The existence of any claim or cause of action of a Distributor against BODi will not constitute a defense to BODi's enforcement of any term or provision of the Agreement.

1.7 BODi Distributor Code of Ethics

BODi Distributors have the unique opportunity of representing BODi, our vision and our products and services in the community at large. For this reason, we expect that Distributors will uphold the standards of our Company and that each Distributor will serve as an ambassador of Our mission and Our brands. Accordingly, in addition to all terms of the Agreement, all Distributors must agree to the following BODi Distributor Code of Ethics:

- As an Independent BODi Distributor, I will conduct myself ethically and with integrity, including treating others the way I would expect to be treated as I operate my organization. I will uphold this Code of Ethics and promote its awareness among my fellow BODi Distributors.
- I will uphold the BODi Core Values and BODi Distributor Policies & Procedures and not engage in any deceptive, unlawful, or unethical recruiting practice or otherwise engage or promote any other conduct which may be detrimental to or reflect poorly on myself, my fellow BODi Distributors or BODi. Key prohibited examples would include bonus buying; improper income, any other form of compensation plan manipulation, performance or medical claims; soliciting Distributors or otherwise promoting other MLM business opportunities to any BODi Distributors or customers or selling BODi products in prohibited marketplaces.
- I will learn and understand the BODi Compensation Plan and BODi's catalog of products and represent them accurately to my customers and prospective Distributors without misleading or false expectations. Any claims, representations or statements I make regarding BODi products or the Distributor opportunity will include important notices and disclaimers as provided by BODi.
- I will accept and fulfill my responsibilities to motivate and encourage my personally sponsored Distributors. I will treat my BODi Distributor business like any other business and will fulfill each commitment I make to my customers, fellow Distributors or other associates.
- I will promote the BODi business opportunity to prospective Distributors with honesty and integrity. I will not misrepresent actual or potential sales or earnings. I will use business tools provided to me such as the Statement of

Independent Distributor Earnings and will remind each potential new Distributor that each individual's success is based upon their individual efforts.

- I will offer my customers the highest level of service, offering assistance with any necessary product exchanges and/or refunds.
- I will maintain a basic loyalty and professionalism to the network marketing industry as a whole and will not involve myself in any unwarranted criticism of BODi or any other network marketing companies, including those in direct competition with BODi.
- I will abide by all laws which govern my business. I understand that as the owner of my Independent BODi Distributor business, it is my responsibility to comply with these laws and with the Agreement.
- I will respect, protect, and treat the personal information of fellow BODi Distributors, Customers and any others I receive from BODi or otherwise through operating my BODi business in confidence and respect their privacy rights at all times.

SECTION 2 - BECOMING A DISTRIBUTOR

2.1 Requirements for Becoming an Independent BODi Distributor

There are a few requirements to be an Independent BODi Distributor:

- You must be at least 18 years old.
- You must be a resident of the United States, a U.S. Territory, or another country where BODi has officially opened its network marketing business.
- You need a Social Security Number, Federal Tax ID Number or applicable tax identification number in the country in which you reside (so long as BODi has announced that the country is officially open for business).
- You must buy a Distributor Business Kit (this cost may be offset depending upon whether the Distributor purchases a Total Solution Pack at the time of enrollment).

2.2 What Does It Cost?

You are not required to buy products to be a Distributor or to earn a commission, however there are some expenses. You must either buy a Distributor Business Starter Kit or Total Solution Pack at the time of enrollment, and there is a monthly charge for your Distributor Office. There are a few limited exceptions to these initial and subsequent monthly costs. They are:

- If you are a resident of North Dakota, the Distributor Business Starter Kit and monthly business service fees are optional.
- If you are a bona fide nonprofit organization (that means you are properly organized as a nonprofit organization under the U.S. Internal Revenue Code) and you provide us with a copy of the relative IRS Ruling Letter or Letter of Determination confirming your tax exempt status at the time you complete your initial Distributor enrollment, the cost of the Distributor Business Starter Kit and the monthly business service fee is waived.
- If you are an active duty member of the U.S. Military or the spouse or partner of an active duty member, if you are a veteran of the U.S. Military, or if you are the spouse or partner of a U.S. Military service member lost or killed in action, your monthly business service fee will be waived once we receive proper documentation supporting you or your spouse's service. One caveat to this exemption – you must maintain at least 50 Personal Volume points every 90 days to continue to receive this exemption ("Personal Volume Points" or "PV" is defined further in the Compensation Plan).

2.3 Distributor Benefits

Once we accept your Distributor Application and Agreement, the benefits of the BODi Distributor Compensation Plan and the Agreement are available to you. These benefits include the right to:

- Sell and solicit orders for BODi products and submit them to the Company for fulfillment.
- Participate in the BODi Distributor Compensation Plan (receive bonuses and commissions, if eligible).
- Sponsor other individuals as Customers, Preferred Customers or Distributors into the BODi business, build a marketing organization, and progress through the BODi Distributor Compensation Plan.
- Participate in BODi-sponsored support, service, training, motivational and recognition functions; and
- Participate in promotional and incentive contests and programs sponsored by BODi for its Distributors.

SECTION 3 - OPERATING A BODI BUSINESS

3.1 Deceptive, Fraudulent and Illegal Activities

You must never engage in deceptive, fraudulent, or illegal activity in conjunction with your independent BODi business or make any false or deceptive claims about BODi's products or business opportunity. You must also conduct yourself so that Your activities outside of your independent BODi business do not affect Your business or BODi's reputation. For example, if you are convicted of a felony or some other illegal activity that is unrelated to Your BODi business, it can damage the Company's reputation and goodwill. Therefore, we reserve the right to cancel Your Agreement if You are convicted of, or plead no contest to, a felony or a crime involving drugs, fraud, theft, physical or sexual violence or abuse, or any other crime involving moral turpitude.

Distributors must promote and offer the BODi business and products in a manner that is consistent with the methods in the Company's training materials. Distributors may not create, publish or use marketing or training systems that are not approved by the Company in writing, and not use any contracts or forms that the Company does not publish. Distributors may not require or encourage other current or prospective Customers or Distributors to execute any agreement or contract other than the official BODi agreements and contracts in order to become an Independent BODi Distributor. Distributors may not sell or in any manner profit from (directly or indirectly) or promote any marketing systems or lead generation systems or sell or promote lead lists to other Distributors.

BODi Distributors may not charge or receive any form of compensation or other benefits (such as income, traded or free services, recoupment of costs, charitable donations, etc.) for tools, consulting for Distributors, software or other sales aids, including requiring any other Distributor to use any third-party tools as part of their Distributor business.

Distributors may not market any other goods or services to any Distributors or customers through any BODi tools, mediums or by using any BODi provided contacts or information. However, Distributors are permitted to market their own goods and services (subject to other restrictions set forth in these policies, including the restrictions around another Network Marketing Business, sales tools and software) through general social media and other non-BODi mediums.

Specifically with regard to events, Distributors may charge solely to recoup their direct, verifiable out of pocket costs for training and Distributor building events at no more than four (4) live events per year, which may be audited by Compliance at any time. However, charging for any recruiting events, to receive any profit, or for personal time spent (rather than direct out of pocket expenses) is always prohibited.

3.2 Advertising

3.2.1 Branded Merchandise

You may only create BODi branded items (t-shirts, caps, etc.) for your own personal use (not sold for profit) and only with the prior written approval of our Compliance department. Your proposed designs may be submitted by emailing the proposed materials to compliance@bodi.com. Any proposed branded items must comply with the terms of these Policies and Procedures and may not include the name, image or likeness of any BODi trainers.

3.2.2 Media Advertising

You may not engage in any television, radio, or video advertising that has not been preapproved in writing by the Company. Requests for the approval of television or radio advertising must be submitted to the Compliance department at compliance@bodi.com.

3.2.3 Distributor Websites and Other Communications Facilities

You may want to promote your BODi business through a website. We provide all Distributors with BODi replicated websites. These replicated websites are template websites from which you can sell BODi products and enroll new Distributors. If you want to use a website other than a Company provided replicated website, you must first create a beta site and submit it to the Company for review and receive the Company's written approval for the site before making it public. There are some fundamental rules you must follow:

- Your site must abide by the Policies and Procedures.
- Your site must accurately use text and the full warnings and disclaimers from the Company's official website.
- Your site may not advertise the price of or complete the sale for any BODi products for less than the advertised retail price by BODi on its official website.

- Your website may not accept new Distributor enrollments. The only online forum from which you enroll new Distributors or customers is your BODi replicated website.
- Be extremely careful if you use any content on your website from a third party. If content appears on your site that is owned by a third party, you can be held responsible for copyright or intellectual property infringement. When BODi reviews your website, we do NOT review the content for copyright or other intellectual property infringement as we have no way of knowing what is owned by a third party. That is solely your responsibility, therefore you must always ensure that you have secured a license for all content that you use or obtain from a third party and have paid any associated license fee.
- For any content you add yourself, you must ensure that it is accurate and not misleading, and that you have the legal right to use it.
- Your website must clearly and conspicuously identify that it is the site of an Independent BODi Distributor.
- Your independent website must post a privacy policy that complies with the applicable data protection and privacy laws, including without limitation, the General Data Protection Regulation. You are responsible to ensure that You comply with those laws and with the commitments you make in Your privacy policy.
- If Your website uses Your own, or third party, cookies or similar tracking technologies, You are responsible for ensuring that You get any proper consent that may be replicable data protection and privacy laws for such technologies.
- If Your website allows BODi Distributors, Customers or other third parties to register for e-mail or similar marketing, You are responsible for ensuring that You get any consents and comply with all other requirements that may be required under the applicable data protection and privacy laws for such marketing. You must always provide recipients of Your marketing with the ability to easily opt-out from receiving additional messages, and inform them how they can exercise this opt-out. For people who opt-out of marketing, you must honor their request and not further market to them.
- Once You receive written notice from the Company that Your website is authorized, You may go live with it. However, We reserve the right to revoke authorization at any time. If We revoke authorization, You must take the website down immediately. If authorization is revoked, We are not responsible for reimbursing You any costs or expenses You have incurred in building or maintaining Your website. Therefore, if You create and launch Your own website, that is a risk that You must take. Furthermore, once Your website is approved, You must receive written approval from the Compliance department before you make any significant material changes to the site.

3.2.4 Trademarks, Copyrights, and Domain Names

Distributors may not use, attempt to register, or register with the U.S. Patent and Trademark Office, any state Trademark Office, any Trademark Office outside of the United States, or with any domain registrar any of the following or their translations (in any language), whether alone or in combination with any other word(s), design(s), or symbol(s): (1) Our name BODi; (2) BODi's brand names, trade names, trademarks, service marks, product names, domain names, symbols, logos, slogans, artwork, or other identifiers or designations of origin of BODi ("Marks"), a partial list of which is attached as Exhibit A; (3) anything confusingly or substantially similar to any of the Marks as determined by BODi, including any portion of, modification to, or derivative of any of the Marks, or (4) the word "Distributor" by itself. This restriction includes any use of any of the above as or in connection with any symbols, keywords, advertisement buys, hidden text, or any other activities that are considered Internet optimization; as any Internet domain name (including, without limitation, as a sub-domain on the BODi website); or as the Distributor's account name or user ID within any blogs, social networking websites, or any "posting" sites such as (but not limited to) Facebook, YouTube, Instagram, or Twitter; or as the numbers/designations within a Distributor's phone number (for example, 1-800-BUY-P90X).

BODi products enjoy strong brand recognition. Because BODi brands are well recognized, we must go to great lengths to protect them. So long as You are an active Independent BODi Distributor, You have limited license to use the Marks for the sole purpose of building your BODi business and selling BODi products. You can download the Marks from your Distributor Office and You may only use the Marks that are available for download. That is, You must not try to copy or recreate any of the Marks or any mark that is similar to the Marks. You are expressly prohibited from modifying the Marks in any manner.

Finally, You must not use any of the Marks in any domain name, email address, social media handle, or use them in a team or company name, or use them in a customized license plate.

We also have to protect our copyrighted material. Therefore, You may not copy or produce for sale, distribution, or advertising any of the Company's copyright-protected material and may not record Company events and speeches without express written permission from BODi. Likewise, BODi produces its own promotional videos, some of which are posted in your Distributor Office for Your use. If You use any of these videos, you must use the video as it is posted and never edit the video. If You use any of Our copyrighted materials in your promotional material, which BODi deems violates this Agreement or any of its intellectual property rights, it may ask you to

immediately take down such promotional materials and remove Our copyrighted materials; otherwise, You agree that BODi shall have an irrevocable license to use the material You produce and shall not have any obligation to pay any form of remuneration or compensation to You.

To the extent that Distributors become aware of any activity that may infringe on any trademark, copyright, or other intellectual property rights of BODi, Distributors should immediately inform BODi via email at compliance@bodi.com. Distributors should not, and are not authorized to, act on BODi's behalf in such situations for many reasons, including that any action could harm BODi's ongoing enforcement efforts.

3.2.5 Use of Related Third-Party Assets

We have business relationships with other well-known companies. We usually have a license to use their marks, but our license is limited. That means that We are only allowed to use their marks according to the terms of Our contract with them. Consequently, We need to be careful not to misuse their marks. If We have a license to use another business' Marks, and they have authorized Distributors to use their marks as well, We will post authorized and approved Marks in your Distributor Office. You may ONLY use the marks that are posted in your Distributor Office and You must never reproduce any mark of a third party.

3.2.6 Media and Media Inquiries

This policy is designed to assure that accurate and consistent information is provided to the public, as well as a proper public image. Distributors may not publish or allow any third party to publish a press release or news release without obtaining prior written approval of the content and proposed channels by BODi's Compliance department. Proposed press releases may be submitted by email to the Compliance department for further review and approval. If You are contacted by the media, please politely direct them to us at compliance@bodi.com. Our media and public relations team will be prepared to respond.

3.2.7 Unsolicited Email

U.S. and international laws relating to unsolicited email (SPAM) are very strict and complex. To put it simply, you may not spam. If You want to send unsolicited email to anyone other than a friend, family member or business colleague, before doing so You must provide the Company with a written legal opinion from a lawyer licensed in the country into which you want to send the email that states that your proposed email campaign complies with the law of the country (the legal fees are at Your expense). Also, a word of caution: some people may try to sell you an email list of leads. They may even say they are "prequalified leads". We caution you that these are normally a waste of money. It is extremely unlikely that Your returns will exceed what You pay for the leads.

(a) Email Message Requirements

BODi does not permit Distributors to send unsolicited commercial emails, unless such emails strictly comply with applicable laws and regulations, including, without limitation, the U.S. Federal CAN-SPAM Act and the Canadian Anti-Spam Legislation. In some countries, this may mean You need to obtain the recipient's consent before You can send any unsolicited commercial emails to them. It is Your responsibility to obtain consent where this is required.

Any email sent by a Distributor that promotes BODi, the BODi Distributor Business Opportunity, or BODi products and services must comply with the following:

- i. There must be a functioning return email address to the sender.
- ii. The email must contain a clear and conspicuous notice (in at least 10-point bold font) advising the recipient that he or she may opt-out or unsubscribe from future email solicitations or correspondence by clicking the applicable out-out or unsubscribe link contained within the email, or if applicable, replying to the email via the functioning return email address.
- iii. The email must include the Distributor's physical mailing address.
- iv. The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- v. The use of deceptive subject lines and/or false header information is prohibited.

- vi. All opt-out requests, whether received by email or regular mail, must be promptly honored. If a Distributor receives an opt-out request from a recipient of an email, the Distributor must forward the opt-out request to the Company.

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

(b) Canadian Anti-Spam Legislation ("CASL") – Additional Requirements

- i. Obtaining Consent to Send Messages: Under CASL, a person who sends an unsolicited electronic commercial message from Canada or to a recipient who resides in Canada, including an email, must have the express or implied consent of the recipient of the message. The language you use to obtain written consent must:
 - a) State the purpose for which you are seeking consent (i.e. to send commercial email)
 - b) State the name under which you carry on business (i.e. Independent BODi Distributor business entity or personal name) and that you are seeking consent on your own behalf.
 - c) Provide your physical mailing address.
 - d) Provide at least one of either your telephone number, email address or web address.
 - e) State that consent may be withdrawn.
 - f) Obtain the individual's consent in a manner that allows you to prove it. For example, provide a consent box they may click, or physically check. Do not create an assumed consent (i.e. a pre-checked box) or an opt-out mechanism.
- ii. Implied consent to send commercial email will exist only where the recipient of the message:
 - a) Has an "Existing Business Relationship" with the Distributor as the message recipient made a purchase or accepted a business opportunity from the Distributor within a two-year period immediately prior to the day on which the message is sent, or made an inquiry or application to the Distributor within the six-month period immediately prior to the day on which the message is sent.
 - b) Has a "Family Relationship" with the Distributor through a legal parent/child relationship, marriage or common-law partnership, and the Distributor and their relation have had voluntary, direct two-way communication.
 - c) Has a "Personal Relationship" with the Distributor, based on direct voluntary two-way contact and it should be reasonable to conclude that the relationship is "personal" taking into consideration all relevant factors such as the sharing of interests, experiences, opinions and information evidenced in the communications, the frequency of communication, the length of time since the communication and if the parties have met in person.

In all cases, there is no implied consent if the individual has indicated they do not wish to receive messages.
- iii. Referrals: CASL allows individuals to refer their friends and family to trusted companies and businesspeople, and allows the company or businessperson who receives a referral to send one email to the referred person. However, in order to make a referral, the referring person must have a relationship with both the Distributor to whom the referral is being made and the person referred. The acceptable relationships are defined in Section 3.2.7(ii) above (i.e. Existing Business Relationships, Family Relationships and Personal Relationships).

The above is only provided as a general outline of CASL's requirements, so in order to fully comply with the law and various requirements; you should first consult an experienced attorney before undertaking this type of marketing, particularly around the use of any referrals. For additional information, please also visit <http://fightspam.gc.ca>.

3.2.8 Unsolicited Faxes and Telephone Calls or Other Messaging

The use of telephone calls, SMS/text messages, faxes or other messaging in connection with your BODi business is highly regulated and if not done in compliance with the law, can result in significant legal and financial liability (\$16,000 per violation in the U.S., as an example) for You and your business. As with all other marketing efforts You undertake as an independent business, you are fully responsible for being aware of and complying with all laws, rules and regulations, including those which apply to this kind of marketing. Accordingly, you must first consult with an experienced attorney in order to properly comply with the various legal requirements for conducting this type of marketing. In general, Distributors may send SMS/text messages to customers with whom they have an existing business relationship; however, sending such messages using technology that has automatic dialing capabilities requires the customer's prior express written consent as specifically required by law. Any text message sent by a Distributor relating to the promotion of their business or any BODi product or service must clearly identify the sender as an Independent BODi Distributor. In addition, Distributors may not use an automatic telephone dialing system to call a customer's cellular phone in connection with the operation of their BODi businesses without first obtaining the customer's prior express written consent as specifically required by law. The term "automatic telephone dialing system" means equipment that has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator and (b) to dial such numbers. In addition, except as stated in this Section, Distributors may not use or transmit unsolicited faxes in connection with the operation of their BODi business. The terms "unsolicited faxes" means the transmission via telephone facsimile or electronic mail of any material or information advertising or promoting BODi, BODi, its products and services, its Compensation Plan, or any other aspect of the Company that is transmitted to any person, except that these terms do not include a fax or email: (1) to any person with that person's prior express invitation or permission or (2) to any person with whom the Distributor 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 Distributor and a person, on the basis of (i) an inquiry, application, purchase, or transaction by the person regarding products offered by such Distributor or (ii) a personal or familiar relationship, which relationship has not been previously terminated by either party.

3.2.9 Social Media & Online Conduct

Distributors rely heavily on social media as a tool to grow their business and share their passions. It is critical to remember that whether you do so by participating in a blog, video, Wiki, social network or any other form of online publishing or discussion, social media is heavily regulated and includes the following set of rules and guidelines that Distributors must follow.

You Are Responsible for Postings

You are personally responsible for Your postings and all of your other online activity that relates to BODi. Therefore, even if You don't manage or operate a blog or social media site, if You post to any site about BODi, You are responsible for the posting. You are also responsible for postings that appear on any blog or Social Media site that you manage or control even if someone else posts offending material on that site.

Identification as an Independent BODi Distributor

You must disclose your full name on all social media postings, and conspicuously identify Yourself as an Independent BODi Distributor. Anonymous postings, blind ads, or use of an alias are not permitted. This identification must be in the original post and not in a separate comment that could be covered up by subsequent comments, or in your details about yourself. Whenever you provide your personal opinion, you must clarify what is your opinion rather than a BODi position with a statement such as "The postings on my site are my own and do not necessarily represent the position, strategy or opinions of BODi and its brands."

Social Media as a Sales and Promotion Forum

Some social media sites promote commercial use while others prohibit it. It's Your responsibility to learn and abide by the social media site's terms of use and policies. Distributors are actively encouraged to distribute links directing users to BODi Previews or the official BODi Vimeo/YouTube sites to view BODi sample workouts; provided that, Distributors are expressly prohibited from uploading or posting any BODi workout content (audio or video) on their own or any third-party sites.

Sales and Enrollments from Social Media Sites are Prohibited

Online sales and/or enrollments may only be generated from Your BODi replicated website. You must not use a social media site to accept orders or to attempt to sponsor or enroll prospective Distributors. You must not use any social media site to explain the BODi Compensation Plan or any component of it.

Use of Third-Party Intellectual Property in Postings

As with content you use on your own website, if You use the trademarks, trade names, service marks, copyrights, or intellectual property of any third party in any posting, it is Your responsibility to ensure that You have received the proper license to use it and have paid the appropriate license fee. All third-party intellectual property must be properly referenced as the property of the third-party, and You must adhere to any restrictions and conditions that the owner of the intellectual property places on the use of its property.

Respecting Privacy

Always respect the privacy of others in your postings. As a member of the BODi community, You should not engage in gossip or advance rumors about any individual, company or competitive product or service.

Professionalism

It is your responsibility to ensure that your postings are truthful and accurate. This includes any references you make to your title (Independent BODi Distributor), as well as any other professional credentials you maintain. Distributors should not infer a professional qualification or certification they do not possess. In addition, this requires that You fact-check the material that you post. You should also carefully check Your postings for spelling, punctuation and grammatical errors. Use of offensive language or inappropriate images is prohibited.

Prohibited Postings

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

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

Responding to Negative Posts

Do not attempt to converse with someone who places a negative post against You, other Independent BODi Distributors, or BODi. You may report negative posts or your specific concerns to the Compliance department via email at compliance@bodi.com. Responding to negative posts simply fuels a discussion with someone carrying a grudge who does not hold themselves to the same high standards as BODi, and therefore damages the reputation and goodwill of BODi.

Social Media Sites with Website-Like Features

Because some social media sites are very robust, the distinction between a social media site and a website may not be clear-cut. BODi therefore reserves the exclusive right to classify certain social media sites as websites and require that You adhere to the Company's policies relating to independent websites if You use such social media site.

Promotion of Other Direct Selling Businesses Through Social Media

In addition to meeting all other requirements specified in these policies, if You use any form of social media in Your BODi business, any postings related to BODi, or its products must link only to Your BODi replicated website. If You create a business profile page on any social media site that promotes or relates to BODi, its products, or opportunity, the business profile page must relate exclusively to Your BODi business and BODi products. If Your BODi business is cancelled for any reason, You must immediately deactivate the business profile page and any other links to it or your BODi business.

Failure to comply with these guidelines can not only lead to suspension or termination of your BODi Distributor Business Center ("CBC"), but could also lead to direct action against you by the Federal Trade Commission (FTC), your state's Attorney General or other regulatory agencies.

Distributors who are contacted directly via email, text, phone, or some form of social media by a BODi customer requesting no further contact or solicitation are obligated to remove that customer from future communications (including emails, Facebook posts and other means of social media). To remain compliant, Distributors must label any customer who requests not to be contacted as "Do Not Contact" in the Distributor Office.

No Distributor may use any electronic tools or forums or websites provided by BODi (including social media pages hosted by BODi) to advertise, promote, solicit, or otherwise conduct any third-party businesses, activities, and/or any other third-party business opportunities at any time. In addition, Distributors may not use these forums to advertise their BODi business, offer BODi products for sale, or recruit Distributors into their organization or BODi Challenge Group.

3.2.10 Telemarketing Techniques

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have “do not call” regulations with which You must comply. Although You probably don’t think of Yourself as a “telemarketer” in the traditional sense of the word, these government regulations broadly define the terms “telemarketer” and “telemarketing” so that your inadvertent action of calling someone whose telephone number is listed on the federal or a state “do not call” registry could cause you to violate the law. Moreover, these regulations must not be taken lightly as they carry significant penalties (including some penalties up to \$16,000 per violation). All penalties will be at Your sole expense and liability, including but not limited to if they are assessed directly against BODi due to any Distributor’s noncompliance. Therefore, You must not engage in prohibited telemarketing in the operation of Your BODi businesses, and, in addition to complying with the “do not call registry,” must not make repeat or harassing phone calls to Prospective Distributors or Customers. The term “telemarketing” means the placing of one or more telephone calls to an individual or entity to induce the purchase of a BODi product or service, or to recruit them for the BODi Distributor Business Opportunity. “Cold calls” made to Prospective Customers or Distributors to promote either BODi’s products or services or the BODi Distributor Business Opportunity constitute telemarketing and are prohibited. However, a telephone call(s) to a Prospective Customer or Distributor (a “prospect”) is permissible under the following situations:

- If You have an established business relationship with the prospect. An “established business relationship” is a relationship between You and a prospect based on the prospect’s purchase, rental, or lease of goods or services from You, or a financial transaction between You and the prospect, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect’s purchase of a product or service.
- The prospect’s personal inquiry or application regarding a product or service you offer, within the three (3) months immediately preceding the date of such a call.
- If You receive written and signed permission from the prospect authorizing You to call, the authorization must specify the telephone number(s) You are authorized to call.
- You may call family members, personal friends, and acquaintances. An “acquaintance” is someone with whom you have at least a recent first-hand relationship within the preceding three (3) months. Bear in mind, however, that if you make a habit of “card collecting” with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling “acquaintances,” you must make such calls on an occasional basis only and not make this a routine practice.
- In addition, Distributors shall not use automatic telephone dialing systems or software relative to the operation of their BODi businesses. The term “automatic telephone dialing system” means equipment or software which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) dial such numbers.

3.2.10.1 Prerecorded Messages

By participating as a Distributor and agreeing to the Agreement, you authorize BODi to place prerecorded telephone messages to the telephone number(s) you provided in your BODi Distributor Application and Agreement.

3.2.11 Online Auctions, Marketplaces, Keywords, and Shop Sites

You may not offer or facilitate the offering of BODi products on or through any online auction or classified site, including but not limited to eBay, iOffer, and/or Craigslist, or any online marketplace, such as Amazon Marketplace.

You may use online marketplaces and social networking sites simply to discuss the BODi Distributor Business Opportunity, but must always identify Yourself as an Independent BODi Distributor in each of these forums. Similar to website advertising, any title or content of any social networking website, account or other forums cannot in any manner imply that the forum and/or its content is coming directly from or is in any manner sponsored or endorsed by the Company.

You may not buy or use Keywords, Sponsored Links, and/or Adword buys that include any Company Marks or other prohibited terms as defined in Exhibit A, on any search engines, websites or any other online marketplaces (including Facebook and other social media outlets). Similarly, You may not list or advertise on shopping comparison sites or similar product price search engines where You must

purchase any placement or listing (including but not limited to Google Product Search, Shopzilla and NextTag), and must abide by the stated policies and prohibitions contained on any free registration shopping sites (including but not limited to Google Product Search).

3.2.12 Management of Your BODi Challenge Group or BOD Group

As part of Your opportunity to help other people try BODi products and achieve their fitness goals, You may organize, host and manage Your own BODi Challenge Group or BOD Group so long as You abide by the guidelines set forth in the Distributor Office, as well as strictly adhering to the following:

- When hosting, promoting or conducting a BODi Challenge Group or BOD Group, You must always identify Yourself as an Independent BODi Distributor.
- You must offer a random selection of BODi programs for the guest to sample during any weekly gathering. Playing an entire fitness program in the workout order provided and over the duration of the entire fitness program (i.e., the precise 90 days of P90X or 60 days of Insanity) is prohibited.
- The group may only consist of a Distributor describing and playing the BODi DVDs or streaming BODi On Demand (“BOD”) for a group workout. Any workout offered may not be streamed live or broadcast through social media for participation by any individual or group in any remote location separate from the actual physical location.
- A BODi Challenge Group may be operated by a Distributor with participation by other challengers in person or virtually. A Distributor may offer prizes for their challenge group participants following the promotional and prize guidelines set forth in Sections 5.2 and 5.2.1 of these Policies & Procedures.
- Minor children may not participate in any Challenge Group or BOD Group workouts as most BODi fitness programs are not intended for use by children under the age of 18.

AT NO TIME MAY YOU ACT AS A FITNESS OR ANY OTHER TYPE OF INSTRUCTOR IN ANY GROUP WORKOUT.

You may not require a guest to pay simply to attend the BODi Challenge Group or BOD Group and only complete a BODi workout; however, You may ask for a financial donation from the guest (a) to cover the cost of the facility rental where the workout is held, or (b) if these guests wish to be served any supplements or consumables such as Shakeology® or BODi Performance™ Line) following the workout.

Each Distributor promoting or conducting a BODi Challenge Group or BOD Group expressly understands and agrees that the Company in no manner endorses, sponsors, or promotes any Challenge Group or BOD Group offered by any Distributor.

When hosting, promoting or conducting any BODi Challenge Group or BOD Group, you agree to indemnify, defend, and hold harmless the Company and its successors, assigns, affiliates, members, officers, and employees from any and all claims, causes of action, injuries, losses, damages, judgments, costs, or expenses, including attorney’s fees and costs, arising in any manner from the Challenge Group or BOD Group activities.

3.2.13 Fitness Instructors Using BODi Workouts

Fitness instructors and trainers can also be Independent BODi Distributors but may not incorporate BODi workout programs as part of their own exercise programs within fitness establishments (whether in a gym, community center, or other location). While those fitness classes may reference BODi product-inspired exercises, such as “plyometrics” and “kenpo,” You can never use any BODi trademark (such as “BODi classes” or “P90X Circuit” in the name or description of the class, and may never play any BODi programs (via DVD or BOD) for any such classes.

3.3 Use of BODi Hosted Sites, Groups & Pages

You may not post messages (directly or through a third party) on any BODi hosted website (including but not limited to BODGroups, message boards, social media group, page or channel) promoting or alluding to the BODi business opportunity in any manner. BODi hosted sites, groups and pages are maintained solely to offer support, guidance, and a team motivational atmosphere for those participating members.

3.3.1 Posting Guidelines

Username

You may not use “BODi” or “Distributor” (or anything similar such as “Top Distributor”) in any message board screen name in accordance with Section 3.2.4 of the Policies and Procedures. For example, You may choose a screen name of “Distributor Bill” but may not use a screen name only of “Distributor.”

Offensive Content

Posts containing profanity, racist comments, hateful, inflammatory, abusive or offensive statements, or comments of a sexual nature are prohibited and will be removed immediately.

Profile Links

Links to profile pages directing anyone to a page other than Your BODi replicated website are not permitted.

Links

We will allow links to your favorite BODi threads and tools only. Members are prohibited from posting links that direct members away from the community forums. We reserve the right to edit, remove, or suspend any post or thread that is in violation of these rules.

Contact Information

In an effort to control spam, You may not post ANY contact information, including phone numbers, IM screen names, website links, signature blocks and/or email addresses.

Product Promotion

You may not promote competitor's products (including supplements, videos, workout equipment or beauty products) on any of our message boards. You may discuss other non-BODi programs You are using or have used in the past.

Integrity

You may post open and honest remarks about BODi, but Your remarks may not be slanderous, false, defamatory, hateful, or offensive, and they must not include personal attacks against any fitness trainer, Distributor, member, product, service, or any other individual or company. The same standards apply when criticizing any other individual or business (including a BODi competitor).

We may remove or request that You remove any post that may violate these rules. To maintain a community focused on wellness, support, and motivation, You should not post identical posts in multiple threads and/or forums. We reserve the right to restrict any user's use of or access to any BODi hosted platform without prior notification.

*These policies are in addition to the standard Terms and Conditions for the website and all other Distributor Policies and Procedures, governing the use of social media platforms. Please review the Terms & Conditions found on our website, www.teambeachbody.com.

3.4 Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. "Bonus buying" includes: (a) the enrollment of individuals or entities without the permission and/or knowledge of such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a Distributor or Customer; (c) the enrollment or attempted enrollment of nonexistent individuals or entities as Distributors or Customers ("phantoms"); (d) purchasing BODi products or services on behalf of another Distributor or Customer, or under another Distributor's or Customer's I.D. number, to qualify for commissions or bonuses; or (e) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions, or bonuses that is not driven by bona fide product or service purchases by end-user consumers.

The use of any individual's credit cards, debit cards, or other payment instruments to purchase products or service fees on the accounts of any other Distributor or Customer other than two other immediate family members (defined as a parent, spouse, or child) is expressly prohibited. If You wish to purchase product or cover service fees for an immediate family member, You must report this information to the Compliance department by sending the necessary information using the credit card usage form found here: <https://fs6.formsite.com/beachbody/youplustwo/index.html>. Similarly, subject to the allowance provided in the prior sentence, each Distributor must maintain payment for their own account and may not use a third party's payment instrument to pay for their BODi products or services. Upon the first discovery of any bonus buying, any Distributor having a lifetime rank of Star Diamond or above may be assessed a fine of **up to \$100,000** and any Distributor having a lifetime rank of Diamond or below may be assessed a fine of **up to \$250**, which will be deducted from the Distributor's upcoming check(s).

If the Distributor who is found to be participating, facilitating or in any manner actively encouraging any bonus buying activity (including through communications, usage of credit cards or providing prepaid debit cards, etc.) would otherwise be eligible to participate in the Star Diamond Leadership Bonus, that Distributor will lose their entire Star Diamond Leadership Bonus for that quarter (at all Star Diamond levels) and face additional fines and disciplinary action, including the immediate suspension or termination of that Distributor's BODi Business. If bonus buying occurs in a Star Diamond Distributor's organization which is unknown to the Star Diamond but the related activity contributes to the Star Diamond Distributor's ability to raise or maintain their rank (which will be tracked within the first three levels of direct sponsorship, otherwise known as the Distributor's advancement team), the bonus buying activity will be removed

and the star Diamond Distributor's rank will be recalculated without it, but the unknowing Star Diamond Distributor will not face any disciplinary action. While the Star Diamond Distributor who had no direct part in the bonus buying will not face disciplinary proceedings, the other Distributors who directly engaged in the bonus buying will, as provided above.

3.5 Business Accounts

3.5.1 Business Entities

A corporation, limited liability company, partnership, or trust (collectively referred to in this section as a "Business Entity") may apply to be a BODi Distributor by submitting its Certificate of Incorporation, Partnership Agreement, or trust documents (these documents are collectively referred to as the "Entity Documents") to BODi, along with a properly completed Business Entity Registration form. Any and all owners with more than a five percent (5%) ownership interest in a prospective Business Entity must be disclosed on the applicable Business Entity Registration Form that is submitted to BODi. Upon registration as a Business Entity, a Distributor has 90 days to provide to Distributor Relations a copy of the IRS letter verifying the business contact information and FEIN. If the IRS letter is not received within this timeframe, the Business Entity account will be placed on a temporary hold until such documentation is received. Any of the owners listed on the Business Entity Application, or any other individuals for which the Company has received written notice, are acceptable as managing individuals for the business account, provided that managing individuals may not separately own or manage other Distributor Business Centers. Acceptable written notice is the submission of the Business Contact Update Form, which can be requested from Distributor Relations. A BODi business may change its status under the same sponsor from an individual to a partnership, corporation, or trust, or from one type of entity to another. There is a \$25.00 fee for each change requested; payment must be included with the written request and the completed Distributor Application and Agreement. The Business Entity Registration form must be signed by all of the shareholders, members, partners, or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to BODi. There must be a named primary contact person per BODi Distributor account.

3.5.2 Household Business Exception and Limitation

Spouses or couples residing in the same immediate household may maintain the same or separate Independent BODi Distributor Business Center(s). However, for qualifying spouses or cohabitating couples sharing the same business entity with a common FEIN or FBN, there may be no more than two such BODi Distributor Business Center(s) per household. Similarly, if qualifying spouses or cohabitating couples who each own a BODi Distributor Business Center wish to form a single business entity for tax or business reasons, their respective BODi Distributor Business Centers may both be held as assets of the business entity they form and their separate Distributor Business Centers may both be converted to the common business entity, but their Distributor Business Centers will be recognized and treated by BODi as separate and distinct businesses even though they are owned by a common business entity.

3.6 Changes to a BODi Business

3.6.1 Addition of Co-Applicants

When adding a co-applicant (either an individual or a business entity) to an existing BODi business, the Company requires a written request as well as a properly completed Distributor Application and Agreement containing both the applicant's and the co-applicant's Social Security or Social Insurance numbers and signatures. To prevent the circumvention of Section 3.23 (regarding transfers and assignments of a BODi business), the original applicant must remain as a party to the original Distributor Application and Agreement. If the original Distributor wants to terminate his or her relationship with the Company, he or she must transfer or assign his or her business in accordance with Section 3.23, or the business shall be canceled upon the withdrawal of the original Distributor. All bonus and commission checks will be sent to the address of record of the original Distributor. There is a \$25.00 fee for each change requested, and payment must be included with the written request and the completed Distributor Application and Agreement. BODi may, at its discretion, require notarized documents before implementing any changes to a BODi business. Please allow thirty (30) days after the receipt of the request by BODi for processing. Please note that the modifications permitted within the scope of this paragraph do not include a change of sponsorship. Changes of sponsorship are addressed in Section 3.6.2.

3.6.2 Change of Sponsor

To protect the integrity of all marketing organizations and safeguard the hard work of all Distributors, We strongly discourage changes in sponsorship. A change of sponsorship from one sponsor to another is rarely permitted. If You want to request a sponsor change, you must submit a written request to the Compliance Department and your request must include the reason for the change. We reserve the right, at our sole discretion, to move a Distributor from one organization or personal sponsor to another if we deem it necessary to maintain the integrity of the genealogy, You should be aware, however, that BODi will rarely authorize an organization or personal sponsor change request. Any transfers permitted by the Company will only be considered in the following three (3) circumstances:

- (a) In cases involving fraudulent inducement or unethical sponsoring, You may request to be transferred to another organization with his or her entire marketing organization intact. All requests for transfer alleging fraudulent enrollment practices shall be evaluated on a case-by-case basis at BODi's sole discretion. Such request must be made within thirty (30) days from the date on which the Distributor was enrolled.
- (b) Upon the departure of a Distributor who has a lifetime rank of one-star Diamond or above, their personally sponsored Distributors may request a sponsorship change exception within the first thirty (30) calendar days of the cancellation of their sponsor. Any Distributor requesting such an exception will only be moved in sponsorship to the next active Star Diamond Distributor in their direct upline. Any exception granted by the Company will only affect sponsorship and will not include any change of placement within the genealogy.
- (c) You may change sponsors within the first ten calendar days after submitting Your Distributor Application and Agreement. To change Your sponsor within such time, You must complete an Independent Distributor Cancellation Form and submit it together with a new Distributor Application and Agreement which lists the new sponsor. The documentation must be received by BODi no later than 5:00 P.M. pacific time on the tenth calendar day following the Company's receipt of his or her original Distributor Application and Agreement. If You change your sponsor pursuant to this policy, the 3-month waiting period under Section 3.6.3 shall not apply. There will be no fee associated with the switch, but if the Distributor has a downline in his or her original business, the downline Distributors will remain in their original positions and will not change lines of sponsorship unless they too meet the prerequisites and follow the procedures set forth in this section 3.6.2(c).

In cases where in the appropriate sponsorship change procedures have not been followed, We make a mistake in the placement of a Distributor, or if We exercise Our discretion to allow a Distributor to change organization, We reserve the sole and exclusive right to determine the final disposition of the downline organization. YOU WAIVE ANY AND ALL CLAIMS AGAINST BODI AND ITS OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO BODI'S DISPOSITION OF ANY DOWNLINE ORGANIZATION.

3.6.3 Cancellation and Reapplication

If You have been enrolled as a Distributor for ten (10) calendar days or fewer You may request a change of sponsorship by contacting Distributor Relations at https://faq.beachbody.com/app/contact_us/lob/Coach as detailed in Section 3.6.2(c) above. If You have been enrolled for more than ten (10) calendar days, You may cancel and re-enroll with a new sponsor only if You formally terminate your business (https://faq.beachbody.com/app/Coach_cancellation_form/lob/team) and remain inactive (i.e. no purchases of BODi products for resale, no sales of BODi products, no sponsoring, no participation in any other form of Distributor activity) for three (3) full calendar months; however, a Distributor who has been enrolled more than ten (10) calendar days but less than thirty (30) days cancel their CBC and re-enroll immediately with their previous sponsor, in the same leg of that sponsor's organization, in the same side of the leg. Please note that this three (3) month wait requirement applies to either a Distributor or a Preferred Customer seeking to change sponsorship provided they have been enrolled as a Distributor or Preferred Customer for more than ten (10) calendar days.

Regardless of the reason for Your re-enrollment, as a BODi Distributor if You re-enroll You must start Your business a new under a new CBC and may not transfer into any existing CBC. Additionally, if You re-enroll You will not be entitled to Your prior rank, benefits, volume, or position in the genealogy.

3.7 Unauthorized Claims and Actions

3.7.1 Indemnification

You are fully responsible for all of Your statements and actions regarding BODi, its products, and the Distributor Compensation Plan that are not expressly contained in official BODi materials. You agree to indemnify BODi from liability, including settlements, judgments, penalties, refunds, attorney's fees, court costs, incurred as a result of Your statements, acts, omissions or any other violation of the Agreement (including, without limitation, its officers, directors, employees and agents) and hold them harmless. This policy shall survive the termination of Your Distributor Agreement.

3.7.2 Product & Testimonial Claims

No claims (which include personal testimonials) as to therapeutic, curative, or diagnostic properties of any products offered by BODi may be made except those specific claims contained in official BODi literature. Such claims may only be repeated or republished in exactly the same format as that published by the Company and the claim must be republished in its totality. In particular, no Distributor may make any claim that BODi 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 do such claims violate BODi policies, but they potentially violate federal and state laws and regulations, including the Federal Food, Drug, and Cosmetic Act and the Federal Trade Commission Act. Whenever a Distributor is using any BODi product or opportunity materials, the Distributor must always include any and all notices, warnings and disclaimers provided by BODi. For example, when discussing supplements (including Shakeology®) and their beneficial effects, the following statement should be included: **These statements have not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, or prevent any disease.**

If you host a challenge group or BOD Group, You may not publicly publish a participant's results without the express written consent of the participant. Additionally, You may not state or imply the results achieved by these groups are in any way scientific, clinical, a cure for any illness or injury, or include the use of any medical claims. Images and other digital assets made available to Distributors through the Distributor Office may be used in the exact format offered without requiring additional consent from BODi, or any individual Distributor or customer, but these assets may not be modified or edited in any way. In addition, Distributors receiving information about Distributors or BODi Customers as a result of information gathered through any BODi facilitated website, mobile application or other similar tool or advertising medium may not publish any individual's personal results without prior approval from the individual and without first submitting the proposed claim to the Compliance department for further review. Submissions may be made via email to compliance@bodi.com.

3.7.3 Income and Lifestyle Claims

You are responsible for all claims, representations, or testimonials made regarding the BODi business opportunity and Compensation Plan that are not expressly contained in official BODi materials. You shall not make any claims, representations, or testimonials regarding the BODi business opportunity or Compensation Plan that could reasonably mislead, deceive or create a false impression. When presenting or discussing BODi business opportunity or Compensation Plan, distributors must make it clear to prospects that financial success in BODi requires commitment, effort, financial investment, and sales skill. You must never represent that one can be successful without diligently applying themselves or that earnings are guaranteed.

When presenting or discussing the BODi business opportunity or Compensation Plan, you may not make income claims, representations, or testimonials (collectively "Income Claims") that are deceptive. Deceptive Income Claims include any claim, testimonial, statement or other representation, whether written or oral, that pertains to any of the following in connection with the BODi business opportunity or Compensation Plan:

- Exaggerated or guaranteed incomes, earnings, or profits;
- Hypothetical, potential, or estimated incomes, earnings, or profits that are in any way misleading;
- Claims that distributors may earn residual or unlimited income or otherwise replace their income;
- Claims that distributors may obtain financial freedom; or
- Any other false, untruthful, incomplete or otherwise misleading or potentially misleading information that misrepresents the typical income or earning results of BODi distributors.

You shall not disclose the amount of any bonus, commission, or other compensation from BODi except as expressly illustrated in the Compensation Plan, or show any actual checks, copies of checks, bank statements, tax statements, or similar financial records.

You shall not make deceptive lifestyle claims ("Lifestyle Claims"). A deceptive Lifestyle Claim is a statement or depiction that implies or states that a distributor can achieve non-typical results. Examples of deceptive Lifestyle Claims include, but are not limited to, any claim, testimonial, statement or other representation that the BODi business opportunity and/or Compensation Plan will lead to:

- Early retirement or being able to quit one's job;
- Income equivalent to a full-time career ("career- level income");
- A luxury lifestyle;
- The ability to purchase a luxury home or vehicle;
- Luxury vacations; or
- Anything similar thereto that misrepresents the typical income or earning results of BODi distributors.

Additionally, you shall not mention or refer to BODi in connection with any deceptive Income Claim or Lifestyle Claim by way of implication, for example, by mentioning BODi in a social media post in close proximity to a post suggesting a luxury lifestyle.

You shall provide the Income Disclosure Statement (IDS) any time you make permitted claims, representations, or testimonials regarding the BODi business opportunity or Compensation. The IDS can be found at tbbcoa.ch/SOICE. Your disclosure of the IDS

must be CLEAR AND CONSPICUOUS on all distributor-created materials, including digital advertising, social media posts, training materials, videos, and website/blog content, regardless of space constraints and should account for platform limitations. The IDS sets reasonable expectations regarding the BODi business opportunity and Compensation Plan, as well as adherence to consumer protection laws and regulations. You may not alter or verbally embellish the IDS in any way, including but not limited to adding any text.

If you have any doubts as to the propriety of claims, representations, or testimonials regarding the BODi business opportunity or Compensation Plan, you are encouraged to contact Compliance@bodi.com.

3.8 Commercial/Retail Outlets

BODi's business model calls for product sales through direct contact with customers. Therefore, You may not sell or facilitate the sales of BODi products out of stores, kiosks, food establishments, buying clubs, or any other general public retail or commercial outlets. You may display and sell BODi products in establishments that primarily provide services to private clientele. Examples of these limited locations include doctors' offices, gyms, health clubs and private workout studios. In no instance, however, shall any displays or advertising of BODi products be visible from the street or otherwise to the general public.

3.9 Trade Shows, Expositions, and Other Sales Forums

Distributors may display and/or sell BODi products and the Distributor Business Opportunity at trade shows and professional expositions. Before submitting a deposit to the event promoter, Distributors are encouraged to contact the Compliance department in writing to obtain BODi's approval. Distributors must always act in a professional and supportive manner at any such events. BODi must pre-approve all advertising material that the Distributor who received approval to display at the event wishes to use.

Any Distributor who wishes to participate as a BODi Distributor at a trade show or expo must exclusively represent BODi products and services at the approved event, and may not market any other products or services with BODi products and services. Any requests to participate in future events must again be submitted to the Compliance Department. BODi further reserves the right to refuse authorization to participate at any function it does not deem a suitable forum for the promotion of its products, services, or the Distributor Business Opportunity. Approval will not be given for swap meets, garage sales, online auctions, or flea markets, as these events are not conducive to the professional image BODi wishes to portray.

3.10 Confidential Information

You acknowledge that BODi will provide you with proprietary and non-public information and reports relating to your sales activity, other BODi distributors and customers, and BODi's business, products, and services ("Confidential Information"). Confidential Information shall include, but not be limited to, reports and compilations generated by BODi that are made available to you, contact and earnings information of other distributors, sales information, forecasts, projections, marketing and compliance materials, or other materials furnished or prepared by BODi for your use. You acknowledge that BODi is the sole owner of any and all Confidential Information provided to you pursuant to this Agreement.

You shall: (i) not directly or indirectly divulge, disclose, disseminate, distribute, license, sell, use or otherwise make known any Confidential Information to any third party or person or entity not expressly authorized or permitted by BODi to receive such Confidential Information; (ii) use best efforts to prevent disclosure of any Confidential Information to any third party and exercise the highest degree of care and discretion in accordance with all express duties hereunder to prevent the same; and (iii) not directly or indirectly make any use whatsoever of the Confidential Information, except for purposes of performing services under this Agreement. You shall not directly or indirectly utilize Confidential Information in connection with any other business or commercial venture or the marketing or promotion of another company's products or services. Similarly, you shall not directly or indirectly utilize Confidential Information to solicit other distributors or customers to join another company or purchase products or services from another company.

Your access to Downline Activity (Genealogy) Reports is password-protected. All Downline Activity Reports, and the information contained therein, are Confidential Information belonging to BODi. Downline Activity Reports are provided to you in strictest confidence and are made available to you for the sole purpose of assisting you in working with your respective Downline Organizations in the development of their BODi business. You and BODi agree that, but for this agreement of confidentiality and nondisclosure, BODi would not provide Downline Activity Reports to you. Upon demand by the BODi, any current or former distributor will return the original and all copies of Downline Activity Reports to BODi. Distributor shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;

- Directly or indirectly disclose the password or other access code to his or her Downline Activity Report;
- Use the information to compete with BODi, or for any purpose, other than promoting his or her BODi business; or
- Use or disclose to any person, partnership, association, corporation or other entity any information contained in any Downline Activity Report.

You understand that you have the responsibility to maintain the protection of your username and password to your BODi accounts, and if You share or otherwise do not protect your username, password or any other access to your BODi Distributor account, Distributor Office or BODi On Demand service, You are solely responsible, among other possible damages, for any resulting charges, activity or changes to your Distributor organization, reports, rank or other financial information

You and BODi acknowledge that the restrictions in this Section are reasonable efforts of BODi to protect and maintain its Confidential Information. The provisions of this Section shall survive the cancellation of the Agreement.

3.11 Conflicts of Interest

The prohibitions contained in this Conflicts of Interest Section apply during the term of your Agreement with BODi.

3.11.1 Non-solicitation

As a BODi Distributor, you have made a commitment to helping others in their health and fitness journey. By participating as a Distributor, you will not only have the opportunity to participate in the income opportunity and other rewards you may earn as a Distributor, but you will also be provided Confidential Information. Accordingly, during the term of this Agreement and regardless of your paid or lifetime rank, You may not directly or indirectly Recruit or solicit other BODi Distributors, Preferred Customers or customers for any other “Network Marketing Business” in any and all markets in which BODi conducts business. Using a definition cited by the FTC, as used in these Policies and Procedures, “Network Marketing is any method of marketing that allows independent sales representatives to recruit other sales representatives and to draw commissions from the sales of those recruits.” As examples, a Network Marketing Business includes (a) a business (including affiliate marketing) which pays a bonus, bounty, override commission, or other form of compensation based on people recruited, rather than solely paying on direct sales themselves, and (b) a traditional multilevel marketing opportunity which includes the opportunity to recruit and build a downline or team which generates compensation upline through multiple recruiting levels (a “MLM Business”).

The term “Recruit” means the actual or attempted sponsorship, solicitation, enrollment of, or effort to influence in any other way, either directly or indirectly, any BODi Distributor, Preferred Customer or Customer to enroll, purchase any competitive goods or services, or otherwise participate in another Network Marketing Business or direct sales opportunity, which at all times will be expressly prohibited. This Recruiting prohibition expressly includes receiving any compensation based on recruiting rather than selling of products with another Network Marketing Business, such as receiving a bonus, bounty, override commission, or other form of compensation based on people recruited, rather than solely paying on direct product sales.

Although your signed Distributor Application constitutes a binding contract between you and BODi, you have no contractual relationship with any other Independent BODi Distributor. You may not take any action that would interfere with BODi’s contractual relationships with other Independent BODi Distributors, including, without limitation (i) any form of recruiting any Distributor to participate in any Network Marketing Business other than BODi, directly, indirectly or through a third party, or (ii) to promote, feature or otherwise market any other Network Marketing Business, including its product or services, in any public or BODi forum, which includes direct contact with any BODi Distributor or customer. To do so constitutes tortious interference with BODi’s contractual relations. Any Distributor who violates the restrictions set forth in this Section (directly or through another member of that Distributor’s household as provided in Section 3.11.4 below) will be subject to disciplinary action in accordance with these BODi Distributor Policies & Procedures, to include, without limitation, suspension and termination of the Distributor Business Center and BODi may additionally institute legal action against you seeking injunctive and monetary relief.

You agree that any violation of this Section, including when such violation may cause any kind of business interruption or interference with the integrity of the BODi network and/or other Distributors, will cause BODi irreparable harm for which there is no adequate remedy at law, and that such harm will outweigh any injury to You should injunctive relief be granted to the Company. BODi will therefore be entitled to immediate and permanent equitable relief to prevent further violations to this policy (including, but not limited to, immediate suspension or termination of your Distributor Business Center).

3.11.2 Participation in Other MLM Business Opportunities

New Distributors joining BODi, and Distributors enrolled with BODi for the sole purpose of the preferred pricing have the freedom to participate in other MLM Business opportunities, provided their participation in another MLM Business never includes any attempts to solicit any BODi Distributor or customer as previously explained in Section 3.11.1 above. Distributors who are engaged with BODi for the purposes of earning income and who are developing a team of personally sponsored and downline Distributors or customers are receiving Confidential Information as well as access to Company leads and customers, all of which must be carefully protected. In order to continue ongoing growth of the Distributor network and protect BODi's Confidential Information, we must balance the opportunity we provide to our Distributors with the following limitations related to a Distributor's participation in another MLM Business:

- A Distributor who remains exclusive with BODi, meaning they are not enrolled as a distributor or representative with any other MLM Business, has access to a variety of exclusive benefits including the eligibility to receive customer and Distributor leads (as further defined in the Compensation Plan), participate in and attend special events such as the annual Leadership conference, and earn special recognition through different promotions offered throughout the year. Only these Distributors exclusive to BODi as described above will have access to these exclusive benefits.
- Distributors who maintain a lifetime rank of Diamond or below may participate as a distributor in another MLM Business provided they do so in accordance with the other restrictions provided within this entire Conflicts of Interest Section 3.10. At the lifetime rank of Star Diamond or above, Distributors may not participate as a distributor in any other MLM Business, regardless of the category of products or services that other MLM Business offers.
- Regardless of Distributors' paid or lifetime rank as defined in our Compensation Plan, they may participate in another MLM Business solely as a customer (including as a "preferred customer" or "discount customer"), provided that they are solely purchasing products or services from the other MLM Business and are in no manner receiving any form of compensation based on selling, recruiting, or otherwise participating as a distributor (which includes payments, free product, prizes, trips, gifts or other benefits, even if such compensation is re-gifted or donated). Receiving any such form of compensation will be deemed as acting as a distributor with such other MLM Business.

You agree that any violation of this Section, including when such violation may cause any kind of business interruption or interference with the integrity of the BODi network and/or other Distributors, will cause BODi irreparable harm for which there is no adequate remedy at law, and that such harm will outweigh any injury to You should injunctive relief be granted to the Company. BODi will therefore be entitled to immediate and permanent equitable relief to prevent further violations to this policy (including, but not limited to, immediate suspension or termination of your Distributor Business Center).

3.11.3 Participation in Other Business Opportunities

As independent contractors with independent interests, Distributors may engage in other business interests and opportunities provided that they comply with the terms and restrictions provided in these Policies and Procedures, including, without limitation, the specific limitations provided in this Conflicts of Interest Section. A Distributor may participate solely to sell products for another Network Marketing Business subject to (a) no Recruiting in accordance with Section 3.11.1 above, (b) the provisions of 3.11.2 above if the other Network Marketing Business is also a MLM Business, and (c) the other provisions provided in these Policies and Procedures

If a Distributor engages in another business opportunity which includes products or services related to fitness, nutrition, supplements or any other product or service which competes with a current BODi offering, they may not promote, advertise, sell, or attempt to sell any of those competing products using any BODi or Distributor branded website or platform, or any other website or social media platform they primarily use to promote their BODi business (such as a Distributor team page or group). Any program, product, or services in the same generic category as BODi products or services is deemed to be competing, regardless of differences in cost, quality, or ingredient content.

In addition to the restrictions above, Distributors may not display BODi promotional material, products, or services with any other promotional material, products, or services in a fashion that might in any way confuse or mislead a prospective Customer, Distributor, or member of the public into believing there is a relationship between the BODi and non-BODi products or services. Distributors may not advertise, offer, or sell the BODi Distributor Business Opportunity, BODi products, or BODi services to prospective or existing Customers or Distributors or to the public in conjunction with any non-BODi program, opportunity, product, or service. Distributors may not offer any non-BODi Distributor Business Opportunity, products, or services at any BODi-related meeting, seminar, or convention, or immediately following such event.

Finally, Distributors may in no manner (a) “bundle” or combine any non-BODi products or services as a packaged offer for sale or advertisement with any BODi products or services, or (b) offer or require any non-BODi products or services as either an incentive or requirement to recruit prospective Distributors, or to provide support or training to existing Distributors.

Distributors found in violation of these policies may face the suspension and/or termination of their BODi Distributor account.

3.11.4 Policy Violations by Members of Distributor Household

Pursuant to Section 3.22 (Actions of Household Members or Affiliated Individuals), BODi Distributors who have family members or other individuals living in their immediate household who are engaged in other Network Marketing Business will be held responsible for the activities of these individuals should those individuals violate the BODi Distributor Policies & Procedures, including the provisions provided in this Section 3.11. The resulting disciplinary action may include the suspension and/or termination of the Distributor’s business center.

3.12 Cross-Sponsoring

You must never poach any Distributor from another Distributor. Poaching which is also called “Cross-Sponsoring” is any effort to enroll an existing Distributor or someone who was a Distributor whom You did not personally sponsor within the preceding six (6) calendar months. In the spirit of this policy, You must also not attempt to circumvent this policy through any other means (such as using a spouse’s name or forming an entity through which to operate). This policy shall not prohibit the transfer of a BODi business in accordance with Section 3.24.

If Cross-Sponsoring is discovered, You must bring it to the Company’s attention immediately. BODi may take disciplinary action against the Distributor who changed organizations and/or those Distributors who encouraged or participated in the Cross-Sponsoring. BODi may also move all or part of the offending Distributor’s downline to his or her original downline organization if the Company deems it equitable and feasible to do so. However, BODi is under no obligation to move the Cross-Sponsored Distributor’s downline organization, and the ultimate disposition of the organization remains within the sole discretion of BODi. You waive all claims and causes of action against BODi arising from or relating to the Company’s disposition of the Cross-Sponsored Distributor’s downline organization.

3.13 Compensation and Genealogy Errors

If You have questions or believe any errors have been made regarding Your commissions, bonuses, genealogy, placement, Downline Activity Reports, or charges, You must notify BODi in writing within 6 months from the date on which the purported error occurred. BODi DISTRIBUTORS EXPRESSLY WAIVE CLAIMS FOR ANY COMMISSION AND/OR GENEALOGY ERRORS, OMISSIONS, OR PROBLEMS NOT REPORTED TO BODi WITHIN 6 months.

3.14 Governmental Approval or Endorsement

Federal or state regulatory agencies or officials are not permitted to approve or endorse any direct selling or network marketing companies or programs. Therefore, You must never represent or imply that BODi or its Compensation Plan have been “approved,” “endorsed,” or otherwise sanctioned by any government agency.

3.15 Independent Contractor Status

You are an independent contractor not an employee of BODi, so You will not be treated as an employee for federal or state tax purposes, benefits or in any other manner. You are responsible for paying local, state, provincial and federal taxes due from all compensation You earn. BODi will not withhold any taxes from Your earnings unless we are compelled to do so by law. You have no authority (expressed or implied) to bind the Company to any obligation.

3.16 Income Taxes

You are responsible for paying local, state, and federal taxes on any income You earn as an Independent BODi Distributor. If Your business is tax-exempt, You must provide Your Federal Tax Identification number to BODi. Every year, BODi will provide an IRS form 1099 MISC (Non-Employee Compensation) earnings statement (or any other updated form which may be required) to each U.S. individual or entity that: 1) had earnings of \$600 or more in the previous calendar year; or 2) made purchases during the previous calendar year in excess of \$5,000 or as otherwise required pursuant to any other applicable law, rule or regulation. No taxes of any kind will be withheld by BODi as You are an independent contractor.

3.17 Insurance

You may wish to arrange insurance coverage for your business. Your homeowner's insurance policy does not cover business-related injuries or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain your business property is protected. This can often be accomplished with a simple "Business Pursuit" endorsement attached to your present homeowner's policy, although at no time can BODi provide any insurance or other financial advice to any Distributors as each Distributor has his or her own unique circumstances as an independent contractor.

3.18 International Marketing

Because of critical legal and tax considerations, BODi must limit the advertising and sale of BODi products and services, and the presentation of the BODi business, to prospective Customers and Distributors located within the United States and U.S. Territories, Canada and those other countries where the Company has announced it has officially opened for its network marketing business. You may sell BODi products or sales aids only in the country in which you legally reside. In addition, You may not engage in any sales or business building activity in any country that BODi has not announced as officially open for business.

3.19 Inventory Loading

You must never purchase more products than You can reasonably use or sell in a month, and must not influence or attempt to influence any other Distributor to buy more products than they can reasonably use or sell in a month. BODi reserves the right, in its sole discretion, to cancel, limit or modify any orders which it feels may violate this policy.

3.20 Adherence to Laws and Ordinances

You must obey all laws and ordinances that apply to Your business. For example, many cities require that You obtain a license to operate a business within the city limits. If a city or county official tells You that an ordinance applies to Your business, You should be polite and cooperative, and immediately send a copy of the ordinance to the Compliance department at BODi (compliance@bodi.com). There may be exceptions to the ordinance that may apply to Independent BODi Distributors.

You must never pay, offer or promise to pay, or directly or indirectly authorize the payment of any money, gift, or anything of value to any government official, officer or employee of a government at any level, or any officer or employee of an entity controlled to any extent by a government, a public international organization, a person acting in an official capacity for or on behalf of any such government or public international organization, a candidate for political office, a political party or party official) for the purpose of influencing any act or decision of such official or to obtain or retain business.

3.21 No More than One BODi Business per Distributor

You may operate or have an ownership interest, legal or equitable, in only one unique BODi business except as expressly permitted in Section 3.5.2. For purposes of clarification, except as permitted above no individual may have, operate, or receive compensation from more than one unique BODi business. For example, You may not own a BODi business individually and also have an interest in a business entity that owns or operates a BODi business.

3.22 Actions of Household Members or Affiliated Individuals

If any member of Your immediate household engages in any activity that would violate any provision of the Agreement, such activity will be deemed a violation by You, and BODi reserves the right to take any disciplinary action pursuant to these Policies and Procedures against You. Similarly, if any individual associated in any way with a corporation, partnership, trust, or other entity (collectively "affiliated individual") violates the Agreement, such action(s) will be deemed a violation by the entity and each of its owners, shareholders, members or management, and BODi reserves the right to take disciplinary action against the entity and all individuals who own, operate, or manage the entity or the BODi business.

3.23 Requests for Records

Any request for hard copies of invoices, applications, Downline Activity Reports, or other records will require a fee of \$1.00 per page per copy with a minimum charge of \$10.00, which must be paid in advance.

3.24 Sale, Transfer, or Assignment of a BODi Business

If You want to sell, assign or otherwise execute a non-testamentary transfer of Your BODi business, You must follow these procedures (BODi's succession policies apply to testamentary transfers as detailed in Section 3.25):

- Prior to selling a Your business, You must notify BODi's Compliance department of Your intent to sell the BODi business and You must receive the Company's written pre-approval. The Compliance department may be contacted via email at compliance@bodi.com.
- You must be in good standing, have all debts, obligations and fees owed to BODi satisfied and not be in violation of any term of the BODi Distributor Policies & Procedures for the six (6) calendar months preceding the date on which You request the transfer approval.
- The transferee may not have been an Independent BODi Distributor at any point in the past, nor may the transferee have been an owner, officer, operator or agent of an entity that owned a BODi Distributor Business Center at any time in the past.
- The transferee must satisfy BODi that they have the knowledge and skill necessary to support and train the organization that he or she is acquiring.
- Provided the transfer request is approved by BODi, for a period of thirty (30) calendar days from the completion of the transfer, the personally sponsored Distributors of the transferred CBC may, for any reason, request through the Compliance department that their sponsorship be rolled up to the next paid star diamond leader in their direct upline genealogy.
- Once the transfer has been approved, the transferee and the new Distributor must execute the proper applications and agreements, submit paperwork to BODi and pay all applicable fees.
- A transfer request must be signed by both You and the Distributor receiving the CBC, which specifies the existing placement and retention of the CBC in the genealogy. Once the transfer is completed, the CBC placement is considered fixed and will not be subject to any further movement, except in accordance with the terms of this section (3.24).
- If You have qualified for and are operating multiple CBCs You may not transfer an individual business center; if a business is transferred all business centers must be included in the transaction.
- Preexisting CBCs may not be transferred to Distributors with a lifetime rank of Two Star Diamond or above as a way of establishing a new CBC.
- Elite points earned by the transferring Distributor during the calendar year in which the transfer occurs will not be transferred with the business unless the transfer is fully completed prior to July 1 of that calendar year.

BODi reserves the right to approve or deny any transfer request in its sole and absolute discretion.

3.25 Separation of a BODi Business

BODi Distributors sometimes operate their BODi businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. In community property states the spouse of a Distributor may have a legal interest in the Distributors' business. If You divorce, or if Your BODi business is owned by an entity that is dissolving or reorganizing, or if you reside in a community property state and Your spouse has an interest in your BODi business, during the divorce, dissolution or reorganization process, the parties must adopt one of the following methods of operation:

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

Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will BODi split commission and bonus checks between divorcing spouses or members of dissolving entities. BODi will recognize only one downline organization and will issue only one commission check per BODi business per commission cycle. Commission checks shall always be issued to the same individual or entity unless otherwise changed in accordance with this Section 3.25. If the parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business, the CBC shall be involuntarily canceled.

If a former spouse has completely relinquished all rights in their original BODi business, he or she is immediately free to enroll under any sponsor of their choosing, and need not meet the waiting period requirements set forth in Section 3.6.3. In such case, however, the former spouse shall have no rights to any Distributors in their former organization or to any former retail customer. He or she must develop the new business in the same manner as would any other new Distributor. In cases of business entity dissolutions, a former

business entity partner, member, shareholder, or other affiliate who loses his or her interest in the BODi business must wait three (3) calendar months as specified in Section 3.6.3 before enrolling again as a Distributor.

3.26 Succession

Upon Your death or incapacitation of a Distributor, Your business may be passed to Your heirs, even if such successor is already a BODi Distributor. Accordingly, You should consult an attorney to assist in the preparation of a will or other testamentary instrument. Whenever a BODi business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Distributor's marketing organization provided the following qualifications are met:

3.26.1 Transfer upon Death of a Distributor

To affect a testamentary transfer of a BODi business, the successor must provide the following to BODi: (1) an original death certificate; (2) letters testamentary from the executor of the estate directing BODi on the proper disposition of the business; and (3) a completed and executed Distributor Agreement by the successor. If the successor is currently a BODi Distributor, the successor Distributor will be granted an exception and allowed two separate CBCs.

3.26.2 Transfer upon Incapacitation of a Distributor

To transfer a BODi business because of incapacity, the successor must provide the following to BODi: (1) a notarized copy of an appointment as trustee; (2) a copy of the trust document or other documentation establishing the trustee's right to administer the BODi business; and (3) a completed Distributor Agreement executed by the trustee.

3.26.3 Procedures

In all succession cases:

- The successor or trustee must execute a Distributor Agreement;
- The successor and trustee must comply with terms and provisions of the Agreement;
- The successor business must meet all qualifications for the deceased Distributor's status.
- The bonus and commission checks of a BODi business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees must provide BODi with an authorized trustee and an address of record to which all bonus and commission checks will be sent; and
- If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Taxpayer Identification number or appoint a single recipient within sixty (60) days from the date of the death of the deceased Distributor.

SECTION 4 - RESPONSIBILITIES OF DISTRIBUTORS

4.1 Change of Address or Telephone

To ensure timely delivery of products, support materials, and commission checks, it is critically important that BODi's files are current. Street addresses are required for shipping because UPS cannot deliver to a post office box. If You plan to move, You should provide your new address and telephone number to BODi's Distributor Relations Department. To guarantee proper delivery, two-week advance notice must be provided to BODi of all changes.

4.2 Continuing Development

4.2.1 Support

BODi Distributors are encouraged to maintain ongoing support and communication with their personally sponsored Distributors in their downline organization. Examples of this may include team newsletters, team calls, written correspondence, in person or ZOOM meetings, one-on-one telephone calls and emails, as well as attending any BODi event with your personally sponsored Distributor where training is provided, such as during a Super Weekend or Summit.

4.2.2 Training

BODi Distributors are also encouraged to motivate and train new BODi Distributors in BODi product knowledge, effective sales techniques, the BODi Distributor Compensation Plan, and compliance with these Policies and Procedures. As Distributors progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and their

understanding of BODi programs. Sharing this knowledge with less-experienced Distributors is an important part of being a leader and mentor as a senior Distributor.

4.2.3 Training on Policies

It is the responsibility of every BODi Distributor 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. When enrolling a new BODi Distributor, it is the responsibility of the sponsoring Distributor to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures and the BODi Compensation Plan, which will always be provided in the Distributor Office and on the BODi website (www.teambeachbody.com/Coach) prior to his or her execution of the BODi Distributor Agreement.

4.2.4 Ongoing Sales Responsibilities

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

4.3 Non-disparagement

BODi wants to provide its Independent BODi Distributors with the best products, compensation plan, and service in the industry. Accordingly, we value Your constructive criticisms and comments. All such comments may be submitted in writing to the BODi Compliance Department (compliance@bodi.com). Remember, to best serve You, we must hear from You! While BODi welcomes constructive input, negative comments and remarks made in any forum (online, written, or in the field) by Distributors about the Company, its compensation plan or other Distributors serve no purpose other than to sour the enthusiasm of other BODi Distributors. For this reason, and to set the proper example for their downline, You must not publicly disparage, demean, or make negative remarks about BODi, other BODi Distributors, BODi's products, the BODi Distributor Compensation Plan, or BODi's directors, officers, or employees.

4.4 Reporting Policy Violations or Fraudulent Activity

If You see another Distributor engaging in a Policy violation, You should report the violation directly to the BODi Compliance department. Details of the incidents, such as dates, number of occurrences, persons involved, and any supporting documentation, should be included in the report. Emails should be sent to compliance@bodi.com.

4.5 BODi Lead Programs

The Company engages in various marketing activities that are directed at the BODi network customer database (those customers who have purchased through infomercials or other direct response channels). BODi network customers who are interested in BODi products or the BODi business opportunity are assigned a Distributor through our various lead programs. If the Company assigns You a lead, You must promptly engage with these customers to ensure that they are getting the most out of their products, and to potentially connect them with other products which might help them achieve their goals.

Your eligibility to receive leads under any of the BODi lead programs is locked in on the first calendar day of each month. If you discover any inaccuracy regarding your eligibility to receive leads, you must report the issue to customer service no later than the fifth calendar day of the following month. Distributors can verify eligibility to the lead programs in the Distributor Office on the Lead Program Qualification report.

Any issues or discrepancies related to the lead programs should be reported via the following form: Lead Program Exception Requests. If the Company verifies a discrepancy in your eligibility, you will be placed in a priority queue to receive the number of missed leads. BODi does not guarantee that You will be assigned leads under any of its lead programs even if you meet all of the qualification criteria for the program.

4.5.1 Customer Lead Program

When a prospective customer who is not associated with a Distributor joins BODi, either as a paid or free member, they are offered the benefits of having a free Distributor. If they say "yes", then they are assigned as a customer lead to a qualified Distributor when the BODi account is created. If they say "no", then they will not be assigned to a Distributor, although they will be offered a free Distributor with any purchase.

To be eligible, You must meet the following requirements (all requirements below must be achieved in the previous calendar month to receive leads the following month. For example: requirements achieved in July will qualify You for leads in August:

- Be paid at the rank of Diamond or above a minimum of one business week in that month;
- You must have achieved Success Club 5 in the prior month;
- You must be an active BODi subscriber;
You must not be delinquent in paying any business service fees or have been found to be in material violation of any of the Company's Policies and Procedures for six (6) months prior to the lead assignment.

Associated Commissions and Volume

Distributors receive no volume or commissions for a lead's initial product purchase; however, the assigned Distributor will receive volume and commissions on all subsequent purchases made on TeamBeachbody.com by that customer lead. If a customer lead purchases a subscription through a direct marketing channel, such as BODi.com, then the initial order and all subsequent orders for that subscription will remain non-commissionable.

If a customer lead purchases a subscription through TeamBeachbody.com, then the initial order will pay no volume or commissions, but the subsequent orders for that subscription will pay volume and commissions.

Dormant Leads

For any leads assigned to a Distributor where no additional purchases have occurred from the assigned lead for a period of six (6) months, BODi may directly market its products and services to the lead and for any subsequent purchases from the lead responding to the BODi marketing, no commissions, volume, bonus, or any other form of compensation will be paid to the original Distributor.

Miscellaneous

There are some historical BODi lead purchases that paid commissions and volume points on continuity orders. If You are among those who received such commissions and points, Your status as being eligible to receive future commissions and volume points will be grandfathered so long as You remain in good standing and continue to meet the minimum Customer Lead Program qualifications to receive these commissions and volume points in the future. However, if at any time you fall out of good standing with your Distributor account, you will no longer receive and will not be able to regain such grandfathered benefits.

4.5.2 Success Club Lead Program

When an individual who is not associated with a Distributor purchases any product under the Shakeology brand, the Ultimate Reset brand, any BODi Total Solution Pack, they are offered the benefits of having a free Distributor. If they say "yes", then they are assigned as a Success Club Lead to a qualified Distributor when the BODi account is created. If they say "no", then they will not be assigned to a Distributor.

Associated Commissions and Volume

A Success Club Lead's initial order will pay no volume or commissions; however, all additional orders, including subsequent subscription orders from the original purchase, will pay volume and commissions.

Qualifications to Receive Success Club Leads

- You must Achieve Success Club 10 in the prior month;
- You must be the paid rank of Diamond or above for at least one business week of the prior month;
- You must be an active BODi subscriber;
- You must not be delinquent in paying any business service fees or been found to be in material violation of any of the Company's Policies and Procedures for six (6) months prior to the lead assignment.

Success Club Lead Program Lifetime Limits on Leads

Success Club customer leads are limited by rank, so that regardless of the leads earned by a Distributor, they will be limited by their current paid rank. The Success Club customer leads that would have been allocated to a Distributor who has already reached the lifetime rank limit will be allocated to other qualified Distributors.

The lifetime Success Club lead wheel limits (not including income leads) are:

Emerald	75	11 Star Diamond	11,000
Diamond	500	12 Star Diamond	12,000
1 Star Diamond	1,000	13 Star Diamond	13,000
2 Star Diamond,000	2,000	14 Star Diamond	14,000
3 Star Diamond,000	3,000	15 Star Diamond	Unlimited
4 Star Diamond,000	4,000		
5 Star Diamond,000	5,000		
6 Star Diamond,000	6,000		
7 Star Diamond,000	7,000		
8 Star Diamond,000	8,000		
9 Star Diamond	9,000		
10 Star Diamond	10,000		

NOTE: Only Success Club Leads where a Distributor earns commissions when the lead is assigned will count towards the lifetime Success Club lead limit.

4.5.3 Distributor Connection Program

When a Distributor or Preferred Customer enrolls without a sponsor, they are assigned to a qualified sponsor as a Distributor Connection Lead.

Qualifications to Receive Distributor Connection Leads

- Be a Paid 1 Star Diamond or higher for at least one business week of the prior month;
- You must have achieved Success Club 10 in the prior month;
- You must be an active BODi subscriber;
- You must not be delinquent in paying any business service fees or have been found to be in material violation of any of the Company's Policies and Procedures for six (6) months prior to the lead assignment;
- Be compliant with all of the sales leads requirements as stated above in this Section 4.5 above.

4.6 Data Protection

Various countries around the world have laws governing the protection of individual's personal information (such as their name, contact details, and so on). These laws, including the General Data Protection Regulation (GDPR) for personal information belonging to individuals in the European Union, are known as data protection laws. You should ensure that Your collection and use of personal information of fellow BODi Distributors, Customers and other individuals is in compliance with the data protection laws that apply to Your business – and seek legal advice if You are unsure of Your responsibilities, which may include:

- registering Your business with the relevant local data protection authorities in Your country;
- making available a compliant Privacy Notice that meets the requirement of applicable data protection laws at all times, and that You provide this Privacy Notice to anyone whose personal information You collect;
- ensuring that You are transparent, fair and lawful whenever You collect and use personal information;
- ensuring that You collect personal information only for specific, explicit and legitimate purposes, and that You do not use the personal information You collect in a manner incompatible with those purposes;
- ensuring that You collect and use only the minimum personal information necessary for the purposes communicated;
- ensuring that You keep the personal information You collect accurate and up-to-date;
- ensuring that You keep the personal information You collect confidential and secure at all times;
- ensuring that You do not keep the personal information You collect for longer than is necessary for the purposes for which it was originally collected.

4.6.1 Use of Personal Information for Marketing

Specific rules apply to the collection and use of personal information for marketing-related activities, including a potential requirement that you first obtain an individual's prior consent to marketing and the need to allow individuals to opt-out of marketing at any time. See section 3.2 above for more details.

4.6.2 Individuals' Data Protection Rights

Data protection laws often give individuals rights over their data too. This may include the right to access information You may have that pertains to them; the right to request that You correct information that pertains to them; the right to request that You delete information that pertains to them; and more. Where these rights exist, You must ensure that You allow (and help) individuals to exercise their rights upon request.

4.6.3 Sensitive Data

Be aware that some countries may treat the collection of fitness and health data as a type of "special" or "sensitive" data, and may have stricter requirements about the collection and use of this data (for example, a requirement to seek explicit consent or to apply stricter security protections to the data). It is Your responsibility to investigate this and take steps to comply with any applicable data protection law requirements as necessary.

4.6.4 Data Transfers

Some countries may have laws that prohibit You from transferring personal information to recipients in other countries – for example, it is generally prohibited to transfer personal information collected in the European Union outside of the European Union, unless You have implemented a legal data transfer solution. However, if you then wish to send or transfer any personal information outside your country, it is Your responsibility to investigate any such requirements and take steps to comply with any applicable data protection law requirements as necessary.

Any personal information of another individual that you receive from BODi, including if from another country, is provided to you pursuant to a legal data transfer solution.

4.6.5 Data Controller

Because You are a business owner who independently decides how You collect, store, use, and manage personal data belonging to residents of the European Union (which includes the United Kingdom), you acknowledge and agree You are a "Controller" of that personal data as defined in Article 4(7) of the GDPR. This means You are responsible for complying with the GDPR as an independent Controller for any such personal data, which includes without limitation, processing the personal data in a lawful manner and securing the personal data through appropriate technical and organizational measures.

4.7 Distributor Indemnity

BODi agrees to indemnify You from and against all claims, demands, actions, suits, damages, liabilities, losses, settlements, judgments, costs, and expenses, including but not limited to reasonable attorneys' fees and costs (collectively, "Claims"), actually incurred by You as a direct result of a claim by a third party for alleged acts undertaken directly by BODi for (1) any breach of any representation or warranty of BODi contained in this Agreement; (2) any breach or violation of any covenant or other obligation or duty of BODi under this Agreement or under applicable law; and (3) any third party Claims alleging a direct act or omission of BODi. It is expressly understood and agreed that as a condition for this indemnification, (a) you must notify BODi in writing by sending a written notice of any such Claim to compliance@bodi.com within 90 days of discovering the Claim, and (b) BODi will solely control the defense and any resolution of any such Claims (including any settlement or negotiations in connection with any such Claims); provided that, you may engage your own representation in connection with the defense of any such Claims at your sole expense.

SECTION 5 - SALES REQUIREMENTS

5.1 Credit Card Payment for Product Sales

You must only use Your own credit card, debit card, or other account to pay for Your products and service fees, and You may not use any of your accounts to pay for the products or fees of any other Distributor or customer. The only exception is that You may use your account to pay for the products or fees of two other immediate family members (that is a parent, spouse or child over the age of 18). In addition, if You wish to purchase product or cover service fees for an immediate family member, You must report this information to the Compliance department by sending the necessary information via email to compliance@bodi.com. Your email must include the

name and Distributor ID or customer account number of the family member whose products you are purchasing and the fees for which you are paying, and Your relationship to the individual.

5.2 Product Pricing and Promotion Guidelines

Distributors may not sell BODi products below the list price on the BODi price list, nor may they offer additional incentives not offered by BODi, including but not limited to, free or reduced shipping charges, bundles, coupons, promotional codes, or any other similar incentives on the sale of BODi products. In addition, the offering of free gifts as a promotional tool is allowable only if the gift is a product or service that: (a) is offered for a limited time of 30 days or less, (b) has a suggested retail value of \$100.00 or less if the gift offered is not a BODi branded product (c) is offered for all new enrollments and/or purchases from the Distributor of any product for new customers, and (d) only one giveaway per week is offered.

If a gift card is provided as an incentive, it must be a gift card or certificate for a specific retailer, not a bank or credit card company branded card as that is equivalent to cash, which is not allowable. At no time however may any cash payment, directly, as a reimbursement or through any third party, be offered or made in connection with any recruitment, enrollment, or business activities, except as otherwise defined in the BODi Compensation Plan.

The only permissible exception to the stated dollar value immediately above is the giveaway of basic BODi products (having a reasonable retail value). A giveaway of any BODi product is limited to one giveaway per Distributor per month. Any gift cannot be offered in such manner to form a new product or discounted bundle (i.e., any limited-time free gifts must be offered separately from any BODi products). Distributors may not offer “free” enrollment or any reduction in the standard enrollment charges as an incentive to new Distributors by refunding any or all of the cost of the new Distributor’s original enrollment fee.

Distributors operating a fitness or nutrition focused challenge group or BOD Group may offer prizes to their participants. Prizes offered must be in line with values stated above. If cash is offered as a prize for the winning participant(s), on a monthly basis the hosting Distributor may not offer cash prizes in excess of \$250 combined for all individuals taking part in the group.

5.2.1 Bonus Pools & Incentives

Distributors may offer incentives to their team; however cash incentives at any amount are not permitted, especially where directly related to any recruitment activity. Where a Distributor offers a non-cash team incentive, each Distributor offering such an incentive must publish clear guidelines to his or her team which outline the qualifications necessary to be eligible for the incentive. Again, the incentives must be achievement based and never based on or focused on recruiting, or enrollment with a certain Distributor or team as an “enrollment bonus” or perk. Distributors wishing to offer their teams the opportunity to participate in a bonus pool (separate from any bonus paid by BODi as outlined in the BODi Compensation Plan) must review the offer they wish make with the Compliance department for prior approval. Participation in a business challenge operated by an Independent BODi Distributor where a bonus pool is available must be completely voluntary. The bonus pool must not have a combined value of greater than \$5,000 and all monies paid in by participating Independent BODi Distributors must be paid out to all participating Distributors at the end of the promotion with no monies being retained by the sponsoring Distributor.

5.2.2 Distributor Created Recognition Programs

An Independent BODi Partner may wish to create a recognition program of their own in order to acknowledge the activity of their team, as it relates to earnings, sales achievements or rank advancements. Such recognition programs are allowed; provided that (1) at all times these programs are compliant with our BODi policies and procedures as well as any applicable laws, and (2) these programs are the sole responsibility of the Distributor and are not sponsored, endorsed or supported by the Company.

5.3 No Exclusive Territories

There are no exclusive territories granted to anyone.

5.4 Sales Receipts

You must provide Your retail customers (direct orders not placed through Your BODi website) with two copies of an official sales receipt at the time of the sale. These receipts set forth the Customer Satisfaction Guarantee, as well as any consumer protection rights afforded by federal or state law. Distributors must maintain all retail sales receipts for a period of two (2) years and furnish them to BODi at the Company’s request for sales that are fulfilled from a Distributor’s inventory. Records documenting the purchases of Distributors’ Direct Customers will be maintained by BODi. In addition, Distributors must orally inform the buyer of his or her cancellation rights.

5.5 Fundraising Programs

BODi businesses may be operated for fundraising purposes. However, if you are using your BODi business in a fundraising program for any entity or individual, You must not represent or imply to anyone that (a) BODi, or its Distributors are directly involved with the charitable promotion or (b) the purchase they make from You will be for the benefit of any charitable purpose or program.

5.6 Charitable Donations

Although Distributors may contribute a portion of their BODi earnings to a charitable cause, due to the charitable permit and registration requirements of multiple states and additional federal requirements, You may not use any contribution as a means of promoting Your BODi business, or run any sales or incentive promotions where a charitable group or cause is identified as the benefitting organization.

SECTION 6 - BONUSES AND COMMISSIONS

6.1 Bonus and Commission Qualifications

The minimum amount for which BODi will issue a check is \$10.00. If Your bonuses and commissions do not equal or exceed \$10.00, the Company will accrue the commissions and bonuses until they total \$10.00. A check will be issued once \$10.00 has been accrued.

6.2 Adjustment to Bonuses and Commissions

6.2.1 Adjustments for Returned Products and Services

Distributors receive bonuses and commissions based on the actual sales of products and services to end consumers. When a product is returned to BODi for a refund or is repurchased by the Company, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted, in the month during which the refund is given, and continuing every pay period thereafter until the commission is recovered, from the Distributors who received bonuses and commissions on the sales of the refunded products. The Company may, at its discretion, also deduct the corresponding PV from Distributor's future purchases and sales and may make adjustment to any contest or incentives qualified for as a result of the original purchase.

6.2.2 Other Deductions

BODi may pass along to Distributors a small fee of no more than \$1.00 to electronically deposit Distributors' commissions and bonuses into their bank accounts. If a Distributor requests that a physical check be issued, BODi will deduct a processing fee of \$2.50 per check. Further, although all genealogy information is electronically available to Distributors, BODi will charge a processing fee of \$19.95 for any hard-copy genealogy reports requested to be sent to a Distributor.

6.3 Reports

ALL PERSONAL AND GROUP SALES VOLUME INFORMATION, DOWNLINE ACTIVITY REPORTS, AND ALL OTHER INFORMATION PROVIDED THROUGH YOUR BODI DISTRIBUTOR OFFICE IS OWNED EXCLUSIVELY AND AT ALL TIMES BY BODI, AND 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 NONINFRINGEMENT. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, BODI, ITS OWNERS, AFFILIATES, PARENT ENTITIES, SUBSIDIARIES, OFFICERS, DIRECTORS, REPRESENTATIVES, AGENTS, AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY DISTRIBUTOR OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF THE INFORMATION OR IN ANY OTHER MANNER IN CONNECTION WITH YOUR RELATIONSHIP WITH BODI AS AN INDEPENDENT DISTRIBUTOR, INCLUDING WITHOUT LIMITATION ACCESS TO OR LOSS OF PERSONAL AND GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF BODI 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, BODI OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE

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

Access to and use of BODi's online and/or hard-copy reporting services, and your reliance upon such information, is at your own risk. All such information is provided to you "as is." If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to BODi's online, hard copy, and telephone reporting services and your reliance upon the information. The Company is not responsible for losses or damage incurred by Distributors that arise from or relate to problems with BODi's system or problems with a Distributor's replicated Website or Distributor Office, including but not limited to losses from software error, hardware malfunction, unauthorized third-party access to the system, or other system malfunctions or errors. ANY AND ALL SOFTWARE, WEBSITES, ELECTRONIC TOOLS, AND ANY OTHER SYSTEMS OFFERED OR PROVIDED BY BODI ARE EXPRESSLY PROVIDED SOLELY "AS IS" AND WITHOUT ANY WARRANTIES OR ASSURANCES OF ANY KIND. BODI MAKES NO WARRANTY THAT ANY SOFTWARE OR WEBSITE SYSTEM IS ERROR FREE AND DOES NOT INFRINGE ON ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY.

SECTION 7 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE

7.1 Product Guarantee

BODi offers a 100% money-back satisfaction guarantee (less shipping and handling charges) to all Customers, retail customers, Preferred Customers and Distributors on all of our products. Please review the specific guarantee with each applicable product (refund periods are from 30 days to 90 days, depending on the product).

7.2 Three-Day Sales Rescission Period

A retail customer has three (3) business days (Saturday is a business day) after the sale or execution of a contract to cancel the order and receive a full refund consistent with the cancellation notice on the order form (five (5) business days for Alaska residents and fifteen (15) business days for residents of North Dakota who are 65 or older). If you make a sale or take an order from a retail customer or Preferred Customer who cancels or requests a refund within the cancellation period, You must promptly refund the customer's money as long as the products are made available to You in substantially as good condition as when received. Additionally, Distributors must orally inform customers of their right to rescind a purchase or an order within the cancellation period, and ensure that the date of the order or purchase is entered on the order form. All retail customers and Preferred Customers must be provided with two (2) copies of an official sales receipt at the time of the sale. The back of the receipt provides the customer with written notice of his or her rights to cancel the sales agreement.

7.3 Return of Products and Sales Aids by Distributors

Upon cancellation of Your Distributor Agreement, You may return products and sales aids that You purchased within 12 months prior to the date of your cancellation for a refund. You must return the products and sales aids within 30 days from the date on which you cancel, and You may only return products and sales aids that You personally purchased from the Company, and which are in Resalable Condition. You may not return products which you purchased for another household member who is also a Distributor. Upon receipt of the products and sales aids, You will be reimbursed ninety percent (90%) of the net cost of the original purchase price(s), less shipping charges. If the purchases were made through a credit card, the refund will be credited back to the same account. If You were paid a commission based on the purchase of a product or products, and such product or products are subsequently returned for a refund, the commission that was paid to You will be deducted from the amount of the refund.

7.3.1 Montana Residents

A Montana resident may cancel his or her Distributor Agreement within 15 days from the date of enrollment and may return his or her business starter kit and all products and sales aids he or she purchased during that time period for a full refund.

7.4 Procedures for All Returns

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

- All merchandise must be returned directly to BODi's fulfillment center according to the directions on the packing slip by the Distributor or Customer who purchased it directly from BODi.

- All products to be returned must have a Return Authorization Number, which may be obtained by calling the Distributor Relations Department. This Return Authorization Number must be written on each carton returned.
- The return must be accompanied by (a) a copy of the original dated retail sales receipt and (b) the unused portion of the product in its original container.
- Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested. All returns must be shipped to BODi with shipping prepaid. Packages returned to BODi on a collect-shipped basis will not be accepted. The risk of loss in shipping for the returned product shall be assumed by the Distributor. If returned product is not received by the Company's Distribution Center, it is the responsibility of the Distributor to trace the shipment.
- If a Distributor is returning merchandise to BODi that was returned to him or her by a personal retail customer, the product must be received by BODi within thirty (30) days from the date on which the retail customer returned the merchandise to the Distributor, and must be accompanied by a copy of the sales receipt the Distributor gave to the customer at the time of the sale. No refund or replacement of product will be made if the conditions of these rules are not met.

SECTION 8 - DISCIPLINARY PROCEEDINGS AND DISPUTE RESOLUTION, INCLUDING MANDATORY INDIVIDUAL ARBITRATION AGREEMENT, AND CLASS ACTION WAIVER

8.1 Disciplinary Measures

If You violate the Agreement or engage in any illegal, fraudulent, deceptive, or unethical business conduct, or any act or omission that, in the sole discretion of BODi, may damage BODi's reputation or goodwill, You are subject to disciplinary measures, which, at BODi's discretion may result in one or more of the following corrective measures:

- Issuance of a written warning or admonition.
- Requiring You to take immediate corrective measures.
- Suspension of Your Distributor Business Center for one or more business weeks with a loss of all or part of the compensation during the suspension period and potential interruption to rank qualifications in process at the time of Your suspension.
- If Your business is suspended pending an investigation, BODi may withhold all or part of Your bonuses and commissions during the suspension period. If Your business is canceled for disciplinary purposes, You will not be entitled to receive any commissions withheld during the investigation period. If the Company determines that You violated the Agreement, but the violation does not warrant termination of Your business, the Company reserves the right to permanently withhold all or part of the bonuses and commission that were withheld during the suspension period.
- Involuntary termination of Your CBC.
- Any other measure expressly allowed within any provision of the Agreement or which BODi deems reasonable to implement and appropriate to equitably resolve injuries caused partially or exclusively by Your violation of the Agreement.
- In situations deemed appropriate by BODi, BODi may institute legal proceedings for monetary and/or equitable relief.

8.2 Grievances and Complaints

If You have a grievance or complaint with another Distributor, You should first report the problem to the other Distributor's sponsor, who should review the matter, and if the matter does not involve the interpretation of the Policies and Procedures, try to resolve it with the other party's sponsor. If the matter cannot be resolved, or if it requires an interpretation of the Policies and Procedures, it must be reported in writing to the Compliance Department at the Company. The Compliance Department will review the facts and resolve the issue. In your submissions to the Compliance Department, You must specify the Distributor's conduct that You believe violated the Policies and identify the precise policy(s) you believe were violated.

8.3 Good Faith Resolution of Disputes, Binding Mandatory Individual Arbitration, and Waiver of Class Actions and Class Arbitrations

THIS PROVISION AFFECTS HOW CLAIMS A DISTRIBUTOR (which includes all beneficial owners associated with a corporation, partnership, trust or other BODi entity, if applicable) MAY HAVE AGAINST BODi OR THE RELATED PARTIES (which include BODi's affiliates, owners, members, managers, managing agents, officers, directors, and employees), OR CLAIMS BODi OR THE

RELATED PARTIES MAY HAVE AGAINST A DISTRIBUTOR, WILL BE RESOLVED. YOU UNDERSTAND AND AGREE THAT THE DISPUTE RESOLUTION AGREEMENT IN THIS SECTION 8.3 OPERATES AS A SEPARATE AND DISTINCT AGREEMENT THAT IS SEVERABLE FROM THE REMAINDER OF THE AGREEMENT AND IS ENFORCEABLE REGARDLESS OF THE ENFORCEABILITY OF ANY OTHER PROVISION OF THE AGREEMENT OR THE AGREEMENT AS A WHOLE. CONSIDERATION FOR THIS INDIVIDUAL ARBITRATION AGREEMENT INCLUDES, WITHOUT LIMITATION, THE PARTIES' MUTUAL AGREEMENT TO ARBITRATE DISPUTES. YOU FURTHER UNDERSTAND AND AGREE THAT THE UNENFORCEABILITY OF THE AGREEMENT IN WHOLE OR IN PART SHALL NOT SUPPORT A FINDING THAT THE INDIVIDUAL ARBITRATION AGREEMENT IN THIS SECTION 8.3 IS UNENFORCEABLE.

Any controversy, claim or dispute of whatever nature arising between a Distributor, on the one hand, and BODi and/or the Related Parties, on the other, including but not limited to those arising out of or relating to the Agreement, or the breach thereof; the sale, purchase or use of BODi products; or the commercial, economic, or other relationship of a Distributor and BODi and/or the Related Parties (for purposes of this dispute resolution agreement, each a "Party" and collectively the "Parties"), whether such claim is based on rights, privileges or interests recognized by or based upon statute, contract, tort, common law or otherwise ("**Dispute**"), shall be settled through individual arbitration, as provided in this Section 8.3, except that the arbitrator(s) shall have no authority to determine that an arbitration may proceed on behalf of or against a class.

Except as provided herein, the arbitrator shall have the exclusive power to rule on his or her own jurisdiction, including any objections with respect to the existence, scope, or validity of this Section 8.3 and/or to the arbitrability of any Dispute.

The Parties understand and agree that if the arbitrator or arbitral panel awards any relief outside the authority set forth herein, any Party may seek a review of the award in accordance with this Section 8.3.

TO THE FULLEST EXTENT PERMITTED BY LAW, DISTRIBUTOR AND BODi (INCLUDING THE RELATED PARTIES) WAIVE ANY RIGHT OR AUTHORITY TO HAVE ANY DISPUTE HEARD AS A CLASS, COLLECTIVE, CONSOLIDATED, MASS OR REPRESENTATIVE ARBITRATION. DISTRIBUTOR AND BODi (INCLUDING THE RELATED PARTIES) MUST BRING ANY DISPUTE IN AN INDIVIDUAL CAPACITY ONLY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE JAMS RULES, THE ARBITRATOR(S) MAY NOT CONSOLIDATE MORE THAN ONE PERSON'S DISPUTES AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF CLASS, COLLECTIVE, CONSOLIDATED, MASS OR REPRESENTATIVE ARBITRATION PROCEEDING. UNDER THE ARBITRATION PROCEDURES OUTLINED IN THIS SECTION, AN ARBITRATOR(S) SHALL NOT COMBINE OR CONSOLIDATE MORE THAN ONE PARTY'S DISPUTES WITHOUT THE WRITTEN CONSENT OF ALL AFFECTED PARTIES TO AN ARBITRATION PROCEEDING. TO THE EXTENT ANY DISPUTES ARE NOT ARBITRABLE AS A MATTER OF LAW, THE PARTIES AGREE THAT LITIGATION OF THOSE DISPUTES SHALL BE STAYED PENDING THE OUTCOME OF ANY INDIVIDUAL DISPUTES IN ARBITRATION.

In the event the prohibition on class, collective, aggregate, mass and/or representative arbitrations is deemed invalid or unenforceable after exhaustion of all appeals of that issue, then, to the extent that class, collective, aggregate, mass and/or representative claims are asserted, such claims shall be litigated in accordance with Section 8. .

Except as expressly provided herein, to promote to the fullest extent reasonably possible a mutually amicable resolution of Disputes in a timely, efficient, and cost-effective manner, the Parties **HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY OR ANY COURT.**

Any Dispute shall be subject to and shall be settled exclusively by final, binding, individual arbitration in Los Angeles County, California, in accordance with the then-prevailing Comprehensive Arbitration Rules of JAMS and this Section 8.3, which shall control in the event of a conflict, unless the laws of the state or province in which the Distributor resides expressly require otherwise. The JAMS rules and procedures are available at jamsadr.com and will be emailed to Distributors upon request to compliance@bodi.com.

Notwithstanding the rules of JAMS, the following will apply to all arbitration actions:

- The arbitration agreement and the arbitration will be governed by the Federal Arbitration Act ("FAA"). To the extent that there is a conflict with California law, the FAA prevails.
- The arbitration will be conducted in English (with appropriate translators as may be necessary).
- The Federal Rules of Evidence will apply in all cases.
- The Parties will be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure.

- The Parties will be allotted equal time to present their respective cases, including cross-examinations.
- The arbitrator(s) is required to issue a written arbitration award setting forth the essential findings and conclusions on which any award is based.
- The arbitrator(s) will have no authority to award punitive damages, except where an applicable law or statute expressly prohibits the waiver of such damages.
- The decision of the arbitrator will be final and binding on the Parties and may, if necessary, be reduced to a judgment in a court of law, except that a Party may choose to appeal certain arbitration awards as described below. Any motion or action to confirm, vacate, modify, or otherwise enter judgment on the award shall comply with Section 8.4. Further, any Party seeking to enforce an award of an arbitrator(s) shall submit the award under seal to the extent necessary to maintain protections of Confidential Information, and the Parties hereby agree and consent to the filing of such a submission, motion, or order under seal.

In addition to the foregoing and notwithstanding the rules of JAMS, certain procedures will apply depending on the amount in controversy. For Disputes in which the amount in controversy is less than \$1,000,000.00 (one million dollars), the following procedures will apply absent mutual agreement of the Parties to the contrary:

- The arbitration will occur within 180 days from the date on which the arbitrator is appointed and will last no more than five (5) business days.
- There will be one arbitrator selected from the panel provided by JAMS, using the JAMS rules for arbitrator selection.
- The arbitrator shall institute discovery consistent with the goals of arbitration. Discovery and disclosure of information will be conducted under the rules provided by JAMS to achieve the usual goals of arbitration, including cost effective and efficient resolution of disputes between parties, but in no event shall the parties be entitled to discovery rights greater than provided by the Federal Rules of Civil Procedure.

For Disputes in which the amount in controversy is equal to or exceeds \$1,000,000.00, the following procedures will apply absent mutual agreement of the Parties to the contrary:

- There will be three (3) arbitrators selected from the panel provided by JAMS, using the JAMS rules for arbitrator selection.
- The Parties will be entitled to, and limited by, all discovery rights permitted by the Federal Rules of Civil Procedure.
- The Parties will be entitled to appeal any arbitration award to an Appeal Panel under JAMS Optional Arbitration Appeal Procedures. The Parties agree to request oral argument for any appeal filed under the Optional Arbitration Appeal Procedures.

Cost of Dispute Resolution: BODi shall pay, or (if applicable) reimburse You for, all JAMS filing, administration, and arbitrator fees for any arbitration commenced (by you or BODi) pursuant to provisions of the Agreement. You are responsible for all additional costs that you incur in the arbitration, including without limitation, fees for attorneys or expert witnesses.

Amendments to this Section. BODi may amend Section 8.3 (the INDIVIDUAL ARBITRATION AGREEMENT) from time to time. Any such amendments will be made in accordance with the duty of good faith and fair dealing. Notwithstanding anything herein to the contrary, any amendment by BODi to Section 8.3 (the INDIVIDUAL ARBITRATION AGREEMENT) shall only take effect upon a distributor's express agreement to such amendment. A distributor may indicate his or her agreement to such proposed amendment by following the instructions accompanying the proposed amendment. Any such Amendment shall apply to all Disputes brought after the effective date of the amendment, regardless of the date of occurrence or accrual of any facts underlying such claim. Amendments to Section 8.3 (the INDIVIDUAL ARBITRATION AGREEMENT) shall not apply retroactively to conduct that occurred prior to the effective date of the amendment unless the distributor expressly accepted the amendment.

Notwithstanding anything to the contrary contained herein, if You do not affirmatively assent to the applicable amendment to Section 8.3 (the INDIVIDUAL ARBITRATION AGREEMENT), You are agreeing that You will arbitrate any Dispute between you and BODi in accordance with the terms of the arbitration agreement that you most recently affirmatively accepted notwithstanding whether the applicable arbitration agreement is contained in the Policies and Procedures or Terms and Conditions.

Temporary and Provisional Relief. Except as provided below, no Party shall be entitled to commence or maintain any action in a court of law regarding a Dispute until such matter has been submitted and determined as provided here, and then only for the enforcement of such arbitration award. Notwithstanding this arbitration policy, any Party may apply to a court of competent jurisdiction as necessary to

enforce an arbitration award, or to seek a temporary restraining order, preliminary injunction, or other provisional relief to ensure that the relief sought in arbitration is not rendered ineffectual during the pendency of, or after the rendition of, a decision in any arbitration proceeding. In particular, and without limitation, Distributor acknowledges that Sections 3.10 and 3.11 and the covenants set forth in this Agreement relating to the protection of BODi's trade secrets and Confidential Information, are reasonable and necessary to protect the legitimate interests of BODi. Distributor further acknowledges that his or her breach of such provisions and covenants would cause BODi irreparable harm, the amount and extent of which would be very difficult to estimate or ascertain, and for which BODi may have no adequate remedy at law. Therefore, the Parties shall be entitled to obtain provisional injunctive relief, a temporary restraining order, or such other temporary equitable relief as may be required to prevent a breach or threatened breach of such provisions and covenants. Furthermore, notwithstanding anything to the contrary herein, to the extent a Party contests the jurisdiction of a state or federal court to preside over claims for a temporary restraining order or preliminary injunctive relief as described above, the court in which such claim is made shall have exclusive jurisdiction to determine whether such claim is to be decided by the court.

The institution of any action shall not constitute a waiver of the right or obligation of any Party to submit any claim seeking relief other than temporary injunctive or enforcement relief to arbitration.

Related Parties and Third-Party Beneficiaries. Although the Agreement is made and entered into between a Distributor and BODi, the Related Parties are intended third-party beneficiaries of the Agreement for purposes of the provisions of the Agreement referring specifically to them, including this Section 8.3. The Parties acknowledge that nothing contained herein is intended to create any involvement by, responsibility of, or liability for, the Related Parties with respect to any dealings between a Distributor and BODi, and the Parties further acknowledge that nothing contained herein shall be argued by either of them to constitute any waiver by the Related Parties of any defense which the Related Parties may otherwise have concerning whether they can properly be made a party to any Dispute between the other Parties.

Protection of Confidential Information. The Parties agree that BODi has valuable trade secrets and Confidential Information relating to its business and products. The Parties agree to take all necessary steps to protect from public disclosure such trade secrets and Confidential Information.

8.4 Governing Law, Jurisdiction, and Venue

Jurisdiction and venue of any matter or Dispute not subject to mediation and/or arbitration shall reside exclusively in the state or federal courts within Los Angeles County, California. The Agreement is to be construed in accordance with and governed by the laws of California, without regard to its choice of law principles, except that, as applicable, the FAA shall govern the arbitration agreement and arbitration without giving effect to any state law to the contrary.

Notwithstanding anything to the contrary herein, residents of the State of Louisiana shall be entitled to pursue resolution of Disputes in their home forum pursuant to Louisiana law, to the extent required under Louisiana law. For such Disputes brought in Louisiana, to the extent allowed by Louisiana law, all other terms of Section 8.3 shall apply to such Dispute, including without limitation the mutual obligation to arbitrate Disputes on an individual basis.

8.5 Waiver Of Class Actions

TO THE FULLEST EXTENT PERMITTED BY LAW, YOU AND BODI AGREE THAT EACH PARTY IS WAIVING THE RIGHT TO PARTICIPATE IN ANY PURPORTED CLASS, COLLECTIVE, AGGREGATE, MASS, CONSOLIDATED, OR REPRESENTATIVE ACTION OR OTHER PROCEEDING, INCLUDING, WITHOUT LIMITATION, SUCH PROCEEDINGS BROUGHT IN STATE AND FEDERAL COURT. UNLESS BOTH YOU AND BODI AGREE IN WRITING, EACH PARTY MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS, COLLECTIVE, AGGREGATE, MASS, CONSOLIDATED, OR REPRESENTATIVE ACTION, ARBITRATION, OR OTHER PROCEEDING.

8.6 Survival

THIS SECTION 8 SHALL SURVIVE THE TERMINATION, CANCELLATION, OR EXPIRATION OF THE AGREEMENT FOR ANY REASON.

SECTION 9 - PAYMENT AND SHIPPING

9.1 Returned Checks

All checks returned by a Distributor's bank for insufficient funds will be resubmitted for payment. A \$25.00 returned check fee will be charged to the account of the Distributor. After receiving a returned check from a Customer or a Distributor, all future orders must be paid by credit card, money order or cashier's check. Any outstanding balance owed to BODi by a Distributor for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks.

9.2 Sales Taxes

BODi is required to charge sales taxes on all purchases made by You and Your customers, and remit the taxes charged to the respective states. Accordingly, BODi will collect and remit sales taxes on Your behalf based on the sales price of the products, according to the applicable tax rates in the state or province to which the shipment is destined. If a Distributor has submitted, and BODi has accepted, a current Sales Tax Exemption Certificate and Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be on the Distributor. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. Any sales tax exemption accepted by BODi is not retroactive. Applicable sales tax exemption documents may be submitted via email to taxes@bodi.com, and any such request must also clearly verify the Distributor's ID number and current billing address.

9.3 Drop Shipment

If You order merchandise and direct that products be drop-shipped to a Customer, You are responsible for all Customer Service functions relating to the order. Because Your Customer has purchased and paid You directly (i.e., they did not complete a recorded and trackable transaction directly with BODi), You are the only one who can track and service the order. You may not refer Customers of drop-shipments direct to BODi. You are solely responsible to accept properly returned merchandise, and, as applicable, issue refunds directly to Your Customers. If BODi issues any refunds to Your Customers who have paid You directly, BODi may then, without limitation of any other rights, deduct such amounts (along with corresponding commissions and other compensation plan adjustments) from Your commissions and bonuses.

SECTION 10 - INACTIVITY, RECLASSIFICATION, AND CANCELLATION

10.1 Effect of Cancellation

Your bonuses and commissions constitute the entire consideration for Your efforts in generating sales and all activities related to generating sales (including but not limited to building, training, and maintaining a downline organization). Following the non-renewal of Your Agreement, cancellation for inactivity, reclassification of Your Agreement, or voluntary or involuntary cancellation of Your Agreement (all of these methods are collectively referred to as "cancellation"), You shall have no right, title, claim, or interest to the marketing organization You operated, or any pending or future commission or bonus payment from the sales generated by Your CBC or the organization. Your independent BODi business is cancelled simultaneously with the cancellation of Your Agreement. You will lose all rights as a Distributor. This includes the right to sell BODi products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of Your former downline sales organization. In the event of cancellation, You agree to waive all rights they may have, including but not limited to property rights, to Your former downline organization and to any bonuses, commissions, or other remuneration derived from the sales and other activities of Your former downline organization.

10.2 Reclassification After Cancellation Due to Inactivity or Nonpayment of Business Services Fees

If You are not current with the payment of Your Business Service fees, then You will not be "Current" and will not be eligible to receive any bonuses, commissions, or other payments under the Distributor Compensation Plan. If You do not make payment in full to the Company of all outstanding Business Service fees to become Current, then any and all withheld bonuses, commissions or any other payments due You exceeding three (3) weeks shall be permanently waived and forfeited. Without limitation of the foregoing, if You have not paid Your Business Service fees when due for either three (3) consecutive months or any four (4) times in a rolling twelve (12) month period, Your Agreement and independent business will be cancelled for inactivity, and You will be reclassified as a Customer.

Additionally, Distributors who fail to meet the minimum requirements of enrollment related or sales related activity on an annual basis will be subject to reclassification, which results in the Distributor account being reclassified to a Preferred Customer, and any pending commissions, bonuses or other payments due at the time of this reclassification will be permanently forfeited.

You may ask BODi for reinstatement in less than the standard six (6) month period. However, if You do so, You must start Your business anew under Your original sponsor, but You will not be entitled to Your prior position in the genealogy.

Notwithstanding the foregoing, You may ask BODi to place Your account on hold during a limited period of time for extraordinary circumstances. BODi may approve such a temporary voluntary suspension at its sole discretion.

10.3 Involuntary Cancellation

Your violation of any of the Agreement, including any amendments that may be made by BODi, or any misconduct stated in Section 8.1 may result in any of the disciplinary measures listed in Section 8.1, including the involuntary cancellation of Your Agreement and BODi business. Cancellations for Policy and Procedure and Distributor behavior violations shall be effective on the date on which written notice is emailed, mailed, faxed, or delivered to an express courier, to the Distributor's last known address (or email address), or to his or her attorney, or when the Distributor receives actual notice of cancellation, whichever occurs first. For Account maintenance violations, such as account verification or Business Service Fee violations, You will have 72 hours from the time you receive notice of the maintenance violation to resolve the issue before Your account is suspended. If Your business is suspended due to an account maintenance violation, You will forfeit any pending or future commissions or bonus payments. If You do not fully resolve the account maintenance violation Your Agreement and business will be permanently terminated.

10.3.1 Global Cancellation

BODi reserves the right to terminate all Distributor Agreements upon thirty (30) days' written notice in the event that it elects to (1) cease business operations; (2) dissolve as a corporate entity; or (3) discontinue distributing its products via direct selling.

10.4 Voluntary Cancellation

You have the right to cancel at any time, regardless of reason. Cancellation must be submitted online via the Distributor service portal. The notice must include Your signature, printed name, address, and Distributor I.D. Number. If You are also an Autoship Customer or a BODi on Demand Member, Your Autoship Agreement and/or BODi on Demand Membership shall continue in force unless You also specifically request that it/they also be canceled. Additionally, a Distributor may request to voluntarily reclassify their account to become a Preferred Customer, provided they have not achieved a lifetime rank higher than Emerald. A Distributor who has achieved a lifetime rank of Diamond or higher must reclassify to a retail customer.

10.5 Disposition of Distributor's Genealogy Position, Customers, and Distributors Upon Cancellation

The following shall occur if Your CBC is cancelled for any reason:

- Your rank is changed to "Cancelled"
- All of Your Active Home Direct programs will be cancelled.
- Your personally enrolled Customers (and their active Home Direct programs) will be placed below Your Personal Sponsor in the BODi genealogy.
- Your personally sponsored downline Distributors are assigned to Your Personal Sponsor.
- If You have only one downline Distributor (in either the right or left leg) on the first level, that downline Distributor will be moved up into the position in the genealogy that You occupied before Your Agreement and business were cancelled.
- If You have downline Distributors in both legs in Your first level, there will be no change in genealogy positions. Your position in the genealogy will be marked as cancelled.

The following shall occur if Your CBC is reclassified to a Preferred Customer:

- Your rank is changed to Preferred Customer
- All of Your Active Home Direct programs will remain.
- Your personally enrolled Customers (and their active Home Direct programs) will be placed below Your Personal Sponsor in the BODi genealogy.
- Your personally sponsored downline Distributors are assigned to Your Personal Sponsor.
- As a Preferred Customer account remains in the established genealogy, no other changes in position will take place for any previously personally sponsored or downline Distributors.

EXHIBIT A - PARTIAL LIST OF BODI TRADEMARKS

2B Mindset	Combat	Mes de Más	Top Coach
3-Day Refresh	Cordastra	Million Dollar Body	Total Body Solution
9 Week Control Freak	Core Cal-Mag	Morning Meltdown 100	Total Solution
10-Minute Trainer	Core de Force	Muscle Burns Fat	TurboFire
10 Rounds	Core Omega-3	MYX	Turbo Jam
21 Day Fix	Country Heat	ONE on ONE	Turbo Nation
21 Day Fix Extreme	Daily Sunshine	P90	TurboKICK
22-Minute Hard Corps	<i>Decide. Commit. Succeed.</i>	P90X	Ultimate Portion Fix
30-Day Breakaway	Dig Deeper	P90X2	Ultimate Reset
80 Day Obsession	Digestive Health	P90X3	Vanilla Fresh
645	Double Time	P90X+	WOWY
ActiVit	E&E	PiYo	Yoga Booty Ballet
A Little Obsessed	End the Trend	Portion Fix	Amoila Cesar
ASYLUM	Fiber Sweep	Power 90	Autumn Calabrese
Barre Blend	Fire and Flow	Power Greens	Carl Daikeler
BEACHBAR	First Thing	Power Half Hour	Chalene Johnson
Beachbody	Fixate	Pro Team	Debbie Siebers
Beachbody Ultimate Reset	Focus T25	Product Partners	Elise Joan
BOD	Focused Energy	Results and Recovery Formula	Idalis Velazquez
BODi	For Beginners Only	RevAbs	Ilana Muhlstein
BODi Club	Hip Hop Abs	Shakeology	Jericho McMatthews
B-LINES	Hip Hop Hustle	Shaun T's Fit Kids Club	Jennifer Jacobs
Body Beast	INSANITY	Shift Shop	Joel Freeman
Body Beast Supplements	INSANITY: MAX 30	Slim in 6	Kathy Smith
Body Gospel	INSANITY: THE ASYLUM	Slim Series	Lacee Green
Brazil Butt Lift	Job1	SuperBlocks	Leandro Carvalho
Breakthrough in Beauty	Last Thing	T25	Dr. Mark Cheng
Bring It!	Let's Get Up	Tai Cheng	Megan Davies
ChaLEAN	LIIFT More	TBB On Demand	Sagi Kalev
ChaLEAN Extreme	LIIFT4	Team Beachbody	Shaun T
Chop Wood Carry Water	The Master's Hammer and Chisel	Team Beachbody Coach	Tony Horton
CIZE	#MBF	Ten Minute Trainer	

EXHIBIT B - GLOSSARY

ACCUMULATING TEAM VOLUME – Once a Distributor Business Center (CBC) achieves Active Status and meets the qualifications for the rank of Emerald Distributor or higher, the CBC can start accumulating and banking (holding) Team Volume (TV) from its left and right downline legs (regardless of depth) and may become eligible to start earning Team Cycle Bonuses and other bonuses per the BODi Distributor Compensation Plan.

ACTIVATED – The status reached when a CBC first becomes Active AND personally sponsors two Distributors or Preferred Customers, one placed in each of the Distributor's left and right legs, who both become Active. Once a CBC is Activated, it begins to accumulate and bank (hold) Team Volume (TV) from each downline leg for the purpose of earning Team Cycle Bonuses and other bonuses. Once a CBC becomes activated, that CBC retains that status indefinitely.

ACTIVE AND QUALIFIED – The status where a CBC has achieved Active Status AND has fully met the qualifications for a specific Rank level within the BODi Compensation Plan within the Bonus Qualification Period.

ACTIVE STATUS – A Distributor's CBC or a Preferred Customer achieves Active Status by accumulating and maintaining a total of 50 or greater Personal Volume (PV) within the Bonus Qualification Period. As a Distributor, Personal Volume is calculated from your personal or retail customer orders. The Bonus Qualification Period includes the current bonus week and the previous four (4) bonus weeks.

AGREEMENT – The contract between BODi and each Independent BODi Distributor, which includes the Independent BODi Distributor Application and Agreement, the BODi Distributor Policies and Procedures, and the BODi Distributor Compensation Plan, all in their current form and as may be amended by BODi in its sole discretion. These documents are collectively referred to as the "Agreement."

BINARY GENEALOGY – The tree-like organizational structure utilized by the BODi Compensation Plan to organize Independent BODi Distributor businesses, to create the related sponsorship connections between personally sponsored Distributors and Preferred Customers, and to calculate Rank levels and bonus compensation. In a Binary Genealogy structure, each position in the Genealogy has two positions directly below, creating a left and right leg for each position. This structure repeats for each position within the overall Binary Genealogy.

BONUS (ES) – Additional compensation paid per the BODi Compensation Plan. There are five (5) different bonuses: 1) Team Cycle Bonus, 2) Matching Check Bonus, 3) Shakeology and Total Solution Pack Fast Start Bonus, 4) Fast Start Plus Bonus, and 5) Star Diamond Leadership Bonus.

BONUS EARNING PERIOD – This is the weekly timeframe for totaling and calculating all sales, volume, commissions, and bonuses. The period commences each Thursday morning at 12:00 am ET and continues until 11:59 pm ET the following Wednesday night. Commissions and Bonuses are processed and paid weekly (one week in arrears) based upon a day-by-day calculation of sales activity within the Bonus Earning Period.

BONUS POINTS – Points used to determine Commissions and bonuses to be paid to a Distributor each Bonus Earning Period. Bonus Points are a universal denomination to which the Company multiplies a currency conversion rate (current conversion rate for each registered country to be published in the Distributor FAQ) to determine the actual amount paid to a Distributor in the applicable country currency.

BONUS QUALIFICATION PERIOD – The timeframe within which Active Status for a Distributor or Preferred Customer is determined for a given Bonus Earning Period. The Bonus Qualification Period includes the current Bonus Ending Period plus the previous four (4) Bonus Ending Periods.

BUSINESS SERVICES FEES (BSF) – The monthly cost of maintaining a CBC and receiving the proprietary back-office tools, dashboard, and replicated Website charged to Distributors by BODi. Payment of the monthly Business Services Fees by a CBC is required for that CBC to remain Current.

CARRY-OVER VOLUME – TV that remains after all possible Cycles have been calculated for a given day. This remaining TV is brought forward to the next day and is added to any new TV generated by a CBC until additional Cycles may be achieved.

DISTRIBUTOR BUSINESS CENTER (CBC) – An independent sales position within the BODi Genealogy, which is assigned to and represents an Independent BODi Distributor business. Each position is used to track a Distributor’s retail sales activity and to track any TV generated by a Distributor’s downline sales organization.

COMMISSION – A portion of the retail volume of a BODi product that is paid to a Distributor as compensation for their sales in the BODi Distributor Business opportunity.

CURRENT STATUS – A CBC is determined to be Current if the monthly Business Services Fees has been paid for that CBC within the last month (30 days). Any CBC that does not have Current Status is subject to the withholding or forfeiture of any earned and unpaid compensation, as well as additional penalties, including suspension and/or termination of the CBC if the account is not brought Current within specified timeframes as defined in the BODi Policies and Procedures document.

CUSTOMER – A purchaser of BODi products or membership services, either as a Retail Customer or as a BODi On Demand Member. Each Customer is assigned to a Distributor, but Customers are not placed in any Genealogy, nor may they sign up Distributors or other Customers. Further, Customers cannot receive Commissions or Bonuses.

CYCLE (CYCLING) – A bonus calculation and payment process that occurs when an Active and Qualified Emerald or higher Rank CBC reaches an accumulated 300 TV or greater, balanced with one-third (or 100 TV) from one downline leg and two-thirds (or 200 TV) from the other downline leg. Once these levels of TV are achieved, the CBC uses that accumulated TV (called a “Cycle”), which generates a payment to the CBC for that week. Cycling continues until no further Cycles can be deducted from the accumulated TV. Any unused TV in each leg becomes Carry-Over Volume.

Note:

The BODi software system determines which leg is the weak leg between the cycles in a week. For instance, if a CBC has 260 TV in the left Distributor leg and 200 TV in the right Distributor leg before cycle 1 (300 TV with 200 TV – 100 TV balance is deducted from the total of both legs), the system determines that the left Distributor leg is the strong leg in cycle 1 (260 TV) and the right Distributor leg (200 TV) is the weak Distributor leg in cycle 1.

After cycle 1 is complete, the right Distributor leg, with 100 TV carried over (i.e., 200 TV – 100 TV = 100 TV) becomes the strong Distributor leg and the left Distributor leg, with 60 TV carried over (i.e., 260 TV – 200 TV = 60 TV) becomes the weak Distributor leg. In other words, the swapping of strong and weak leg determination often occurs between Team Cycle Bonus cycles. This is standard binary compensation plan methodology.

In the BODi back-office software, left and right Team Volume is denoted as LV (Left Volume) and RV (Right Volume).

Cycling Example – Four Complete Cycles

Left Team Volume (LV)	Right Team Volume (RV)	Cycles
3700	480	
-200	-100	1
3500	380	
-200	-100	2
3300	280	
-200	-100	3
3100	180	
-200	-100	4
2900	80	
4 cycles complete		
2900	80	Carry over to the next cycle

DAILY CYCLE LIMITS – The maximum number of Cycles a CBC may achieve each day based on the current Rank of the CBC. Emerald, Diamond, and Star Diamond may each cycle a maximum of 96 cycles per day. Effective January 4, 2024, the maximum cycles which may be achieved per day will increase from 96 to 108 cycles.

DAY PERIOD – A day is defined as 12:00am ET to 11:59pm ET (Eastern Standard Time).

DIAMOND AND STAR DIAMOND LEADERSHIP BONUSES – One of the bonus opportunities that may be paid to Distributors under the BODi Compensation Plan. This bonus is calculated and paid quarterly based on a percentage of the total Company TV, and is paid to those meeting and maintaining Diamond and Star Diamond qualifications for six (6) consecutive weeks within each quarter. (See detailed requirements below.) Please note the Diamond Leadership Bonus will go into effect beginning in 2024.

DIRECT LINE OF SPONSORSHIP – The lineage within the Binary Genealogy that begins with a specific CBC and moves to that CBC's personally sponsoring CBC, then to *that* CBC's personally sponsoring CBC, and so on (i.e., Mary is personally sponsored by Bob, who is personally sponsored by Sally, etc.). The Direct Line of Sponsorship is NOT necessarily the same as the Genealogy lineage, as it is possible that two adjacent CBCs could not have a personally sponsoring relationship.

DOWNLINE – A term that defines the Binary Genealogy structure that begins with the two positions directly below a specific CBC and extends to all CBCs that emanate from those two positions, whether or not they're Personally Sponsored by that specific CBC.

DOWNLINE ACTIVITY REPORTS (GENEALOGY REPORTS) – Refers to any of several reports generated by BODi or from BODi-controlled data that provide critical data relating to the identities of Distributors or Preferred Customers, sales information, and enrollment activity of each Distributor's Downline. These reports contain confidential and trade secret information, which is proprietary to BODi.

EARNING VOLUME – Earning Volume (EV) is a value assigned to products. EV is a requirement used to determine bonus eligibility. Earning volume represents the personal volume points associated with orders from customers and preferred customers accumulated over the last five bonus weeks. The earning volume active status requirement is 50 points and is applicable to team cycle bonus, matching bonus and quarterly diamond and star diamond bonuses.

GENEALOGY – The organizational structure utilized by the BODi Compensation Plan to organize Independent BODi Distributor businesses, to create the related sponsorship connections between CBCs, and to calculate Rank levels and bonus compensation. A Binary Genealogy structure has one CBC in a position with exactly two CBC positions directly below that CBC, creating a left leg and a right leg for each CBC. This structure repeats for each CBC within the overall Binary Genealogy.

HOME DIRECT (aka AUTOSHIP) – A convenience program wherein preselected products are shipped to you or to your BODi Customers each month and are automatically billed to the credit card that was provided at the initiation of the program.

INACTIVE STATUS – The status that exists for a CBC when 49 PV or less has been accumulated in any Bonus Qualification Period. Inactive Status will cause a demotion to the rank of Distributor and will also cause permanent removal of all Team Volume banked at the time the Distributor goes Inactive. Upon achieving a minimum of 50 PV or greater, the status of a CBC will be changed to Active, and TV may again begin to accumulate for that CBC.

LEFT TEAM VOLUME – Represents a CBC's accumulated TV generated from the downline Distributors in the left leg of the CBC.

LIFETIME CYCLES – The number of Cycles achieved in the lifetime of a CBC.

LIFETIME RANK – The highest Rank level that a CBC has achieved in its lifetime. Once a Rank is achieved, it is permanent for Distributor recognition purposes; however, Bonuses will be calculated and paid based upon the Paid-As Rank determined in the current Bonus Earning Period. Also known as Highest Achieved Rank or Official Rank. If a CBC reclassifies from the lifetime rank of Distributor or higher to a Preferred Customer, their lifetime rank will be reset.

MASTER CYCLE – Each time a CBC completes 5,000 consecutive Cycles, a Master Cycle occurs, and a maximum of 5,000 TV from the CBC's strong leg and the entire TV from the CBC's weak leg is carried over to the next Cycle. Cycling may resume on the same day.

MATCHING BONUS – One of the bonus opportunities under the BODi Compensation Plan, which may be paid to Active and Qualified Diamond Distributors. This bonus ten percent (10%) (Diamond) matching payment based on the Team Cycle Bonus earnings of a Distributor’s Personally Sponsored downline Distributors.

PAID-AS RANK – The Rank level for a CBC that has been achieved in the current Bonus Earning Period. This Rank level will determine the calculation of Bonuses earned in the current period. This rank may be equal to or lower than the Lifetime Rank for the CBC.

PERSONALLY SPONSORED – Any or all of the BODi Distributors or Preferred Customers who have been directly sponsored by a specific BODi Distributor.

PERSONALLY SPONSORED TEAM VOLUME (PSTV) BONUS – a monthly bonus opportunity paid to Partners in their first full 24 months of enrollment. This is a differential bonus of up to 20% of the team volume produced by their eligible personally sponsored downline organization who are enrolled in the period. (see detail requirements below).

PERSONAL RETAIL CUSTOMER – A Distributor’s Personal Retail Customers, including: 1) those Home Direct Customers whom the Distributor enrolls into the Home Direct Program (excluding those who are already Distributors) and 2) those non-Distributors who make product or membership service purchases from a Distributor’s BODi Website. Distributors may additionally sell products to third parties, from their personal inventory or in other manners, which are not placed through their Distributor’s BODi Website, provided that these sales will not provide any volume or commissions toward their CBC.

PERSONAL VOLUME (PV) – PV is a value assigned to products. PV is used to determine Active Status.

PREFERRED CUSTOMER – A purchaser of BODi products or membership services, including but not limited to the Preferred Customer Membership Fee. Each Preferred Customer is assigned to a Distributor and is also placed in the Genealogy. However, they may not sign-up Distributors or other Customers. Further, Preferred Customers cannot receive Commissions or Bonuses.

QUALIFIED – Indicates that a Distributor has fully met all requirements to achieve a specific Rank level.

RANKS – The 18 different levels for which a Distributor may qualify within the BODi Compensation Plan. Rank levels have a direct impact on the amount of compensation a Distributor may earn, and may also be a qualifier for participation in various BODi programs and promotions. Rank levels are recalculated weekly.

The Rank levels are:

1. Distributor
2. Emerald Distributor
3. Diamond Distributor
4. One Star Diamond Distributor
5. Two Star Diamond Distributor
6. Three Star Diamond Distributor
7. Four Star Diamond Distributor
8. Five Star Diamond Distributor
9. Six Star Diamond Distributor
10. Seven Star Diamond Distributor
11. Eight Star Diamond Distributor
12. Nine Star Diamond Distributor
13. Ten Star Diamond Distributor
14. Eleven Star Diamond Distributor
15. Twelve Star Diamond Distributor
16. Thirteen Star Diamond Distributor
17. Fourteen Star Diamond Distributor
18. Fifteen Star Diamond Distributor

RETAIL COMMISSIONS – One of the commission opportunities that may be paid to Distributors under the BODi Compensation Plan. This commission is calculated and paid weekly on the sales of products and Membership services to a Distributor’s Personal Retail Customers through that Distributor’s BODi Website so long as that customer remains attached to that BODi Distributor.

RETAIL VOLUME – Retail Volume is a value assigned to each product in order to calculate Commissions paid in Bonus Points. It is equal to the current US retail price for each product.

RETAIL SALES – Retail sales are purchases made by an individual who is not a BODi Distributor or Preferred Customer.

RIGHT TEAM VOLUME – Represents a CBC’s accumulated TV generated from the downline Distributors in the Right leg of the CBC.

SPONSOR – A BODi Distributor who enrolls another BODi Distributor into the Company. The act of enrolling others and/or training them to become BODi Distributors is called “sponsoring” or “Personally Sponsoring.”

STRONG LEG – In evaluating the TV from a CBC’s Downline, the leg with the higher accumulated TV at any time is deemed the Strong Leg at that time.

SUBSCRIPTION COMMISSIONS – One of the commission opportunities that may be paid to Distributors under the BODi Compensation Plan. This commission is calculated and paid weekly on the sales and renewals of BODi On Demand Memberships to a Distributor’s Personal Retail Customers, Personally Sponsored Preferred Customers or Personally Sponsored Distributors.

TEAM CYCLE BONUS – One of the bonus opportunities that may be paid to Active and Qualified Emerald or higher Distributors under the BODi Compensation Plan. This bonus is calculated and paid weekly on the accumulated TV from a CBC’s Downline.

TEAM VOLUME (TV) – TV is a value assigned to products and Membership services sold in a Bonus Earning Period and is used to calculate Team Cycle Bonus. The TV for a CBC is the sum of all TV generated from purchases made by the CBCs Downline Personal Sponsored Distributors, Personally Sponsored Preferred Customers and their Personal Retail Customers. TV for a CBC does not include volume generated by the CBC’s personal purchases or purchases of their Personal Retail Customers.

UPLINE – This term refers to the CBCs above a particular BODi Distributor in the Direct Line of Sponsorship.

WEAK LEG – In evaluating the TV from a CBC’s Downline, the leg with the lower accumulated TV at any time is deemed the Weak Leg at that time.

EXHIBIT C - BODI DISTRIBUTOR COMPENSATION PLAN

The BODi Distributor Compensation Plan has been designed to reward Independent BODi Distributors for sharing our products, services, and income opportunity with others. The Distributor Compensation represents an innovation in Business Income Opportunity – paid weekly!

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EARNING OPPORTUNITIES

There are multiple opportunities to earn income with Distributor Compensation Plan.

Retail Commissions

Paid weekly to all Distributor Ranks

Earn up to twenty percent (20%) commission on the retail sales price of BODi products you sell to your Personal Retail Customers through your BODi Website. These commissions will continue to be paid to the Distributor so long as the customer remains attached to the Distributor. Please note some items earn a commission below 20%. For full details, please review the price list found in the Distributor Office.

BODi On Demand Membership Commissions (Subscription Commissions)

Paid weekly to all Distributor Ranks

Earn a thirty-five percent (35%) commission on the sales and renewals of BODi On Demand memberships. These BODi On Demand membership commissions are paid weekly. Distributors will receive 35% commission of the retail price on BODi On Demand subscription plans. The retail price used to calculate applicable commissions is the most current pricing of BOD on TeamBODi.com and BODiondemand.com only. Calculations of commissions will not be adjusted for pricing changes of BODi On Demand available on BODi.com and other direct marketing channels.

Shakeology Fast Start Bonus

Paid weekly to all Distributor Ranks

Earn a \$20 bonus each time one of your eligible personally sponsored Distributors or Preferred Customers purchases a Shakeology Home Direct Starter Pack.

Total Solution Pack Fast Start Bonus

Paid weekly to all Distributor Ranks

Earn a bonus each time one of your newly recruited personally sponsored Distributors or Preferred Customers purchases a Total Solution Pack. The bonus amount depends on the type of Total Solution Pack purchased. See the pack pricing and commissions guide (which may be found in the Distributor Office) for information on the different packs available and the bonus that can be earned on each. Note: newly recruited personally sponsored Distributors or Preferred Customers are those who are within 31 days of their start date.

The company may add additional Total Solution Packs or amend the Total Solution Pack configurations and payout structures. Please note the Total Solution Pack Fast Start Bonus is not paid on Total Solution Packs sold to a new Distributor transferring into an existing Distributor Business Center. Changes will be posted in the Distributor Office.

Personally Sponsored Team Volume (PSTV) Bonus

Paid monthly to qualified Distributors

As an active Distributor, you can qualify for a differential bonus of up to 20% of the monthly team volume produced by your eligible personally sponsored downline organization. Your eligible personally sponsored downline consists of your personally sponsored downline that are enrolled during a 13 month enrollment period that runs from December to December.

You must have active status for the last week of the bonus periods included in month.

Your differential bonus % is determined first by your qualifying tier, which is based on the total team volume generated by the sales and purchases your personally sponsored downline organization, also known as your Personally Sponsored Team, made during the bonus weeks ending in the month of qualification. This total volume is your Personally Sponsored Team Volume (PSTV). The qualification tiers are as follows:

Qualifying PSTV	Qualifying Bonus %*
250 - 499	4%
500 - 999	8%
1000 - 1499	12%
1500 - 1999	14%
2000+	20%

* You may earn a lower differential % on the PSTV of members of your Personally Sponsored Downline who also qualify for the PEG Volume Bonus in the same month

Each month, you will earn your Qualifying Bonus % of your PSTV. However, if someone in your Personally Sponsored Downline Organization also qualifies for the PSTV Bonus, you are paid the percentage difference between your qualifying bonus % and their qualifying bonus % on their PSTV.

If a Partner or a Preferred Customer has an original join date from to the start of the December to December period and becomes a Partner during the period, the team volume from new personally sponsored downline of that partner enrolled during the period will count towards the partner's upline's PSTV, however the TV from that Partner who had an original join date before the start of the period will not be included.

This is a monthly bonus, and the monthly period is defined as all bonus weeks where the week ending of the bonus week falls within the calendar month. For example for the month of January 2024, the PEG volume will be calculated on the following bonus weeks:

Bonus Week Ending January 3, 2024
Bonus Week Ending January 10, 2024
Bonus Week Ending January 17, 2024
Bonus Week Ending January 24, 2024
Bonus Week Ending January 31, 2024

PSTV Bonus Example:

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



JANE



Month 1 - Jane enrolls 3 Partners & 1 Preferred Customer

1

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



JANE



Team Volume from all purchases & sales of her personally sponsored downline organization during the weekending bonus weeks that fall in Month 1 totals 435 TV

TEAM VOLUME = 435

2

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



JANE



435 TV from her personally sponsored downline organization earns her a 4% bonus

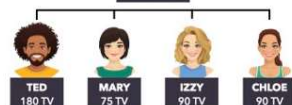
435 TV = 4% BONUS

3

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



JANE



Jane will earn \$17.40

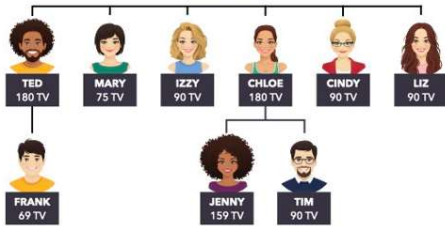
435 X 4% = \$17.40

4

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



JANE



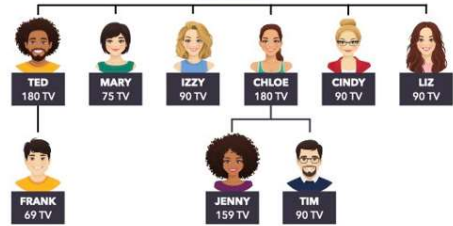
Month 2 - Jane enrolls 2 more Partners, Ted enrolls a Partner, & Chloe enrolls 2 Partners

5

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



JANE



Team Volume from all purchases & sales of her personally sponsored downline organization during the weekend bonus weeks that fall in Month 2 totals 1,023 TV

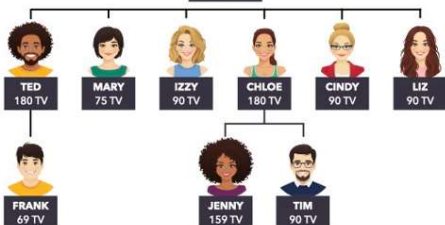
TEAM VOLUME = 1,023

6

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



JANE



1,023 TV from her personally sponsored downline organization earns her an 12% bonus

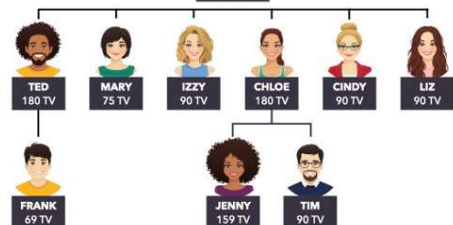
1,023 TV = 12% BONUS

7

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



JANE

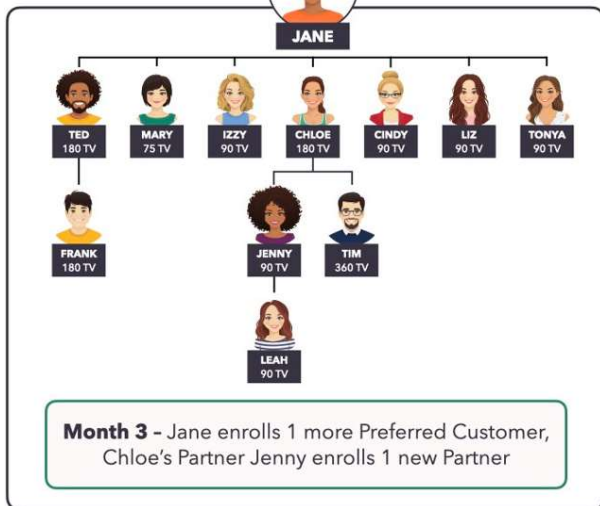


Jane will earn \$122.76

1,023 X 12% = \$122.76

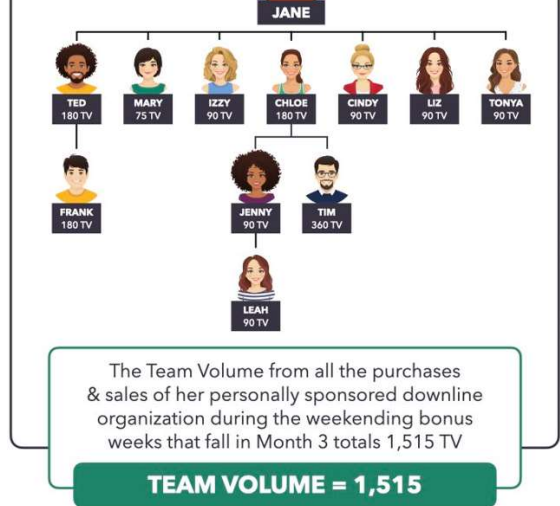
8

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



9

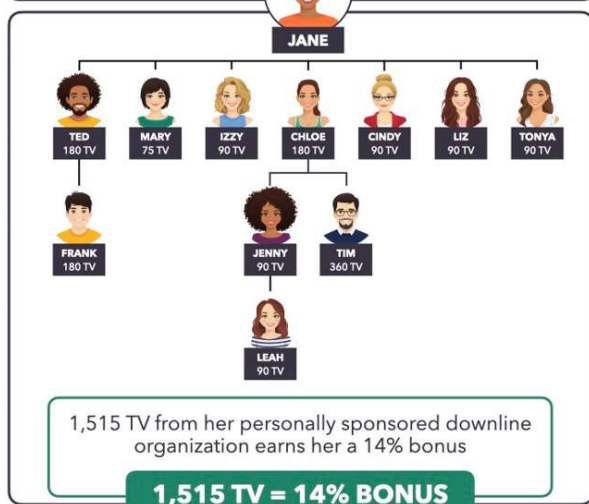
Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



TEAM VOLUME = 1,515

10

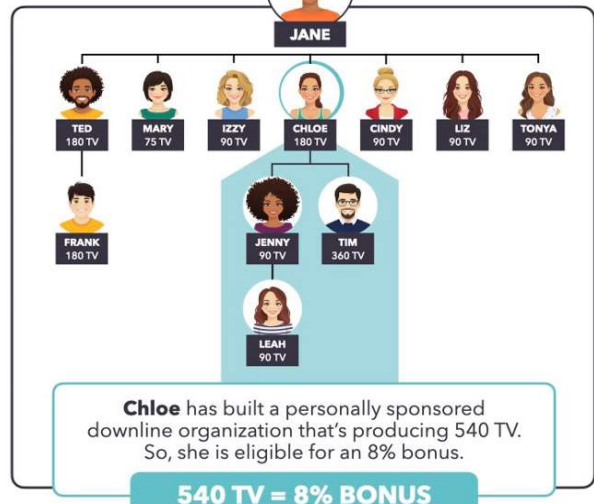
Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



1,515 TV = 14% BONUS

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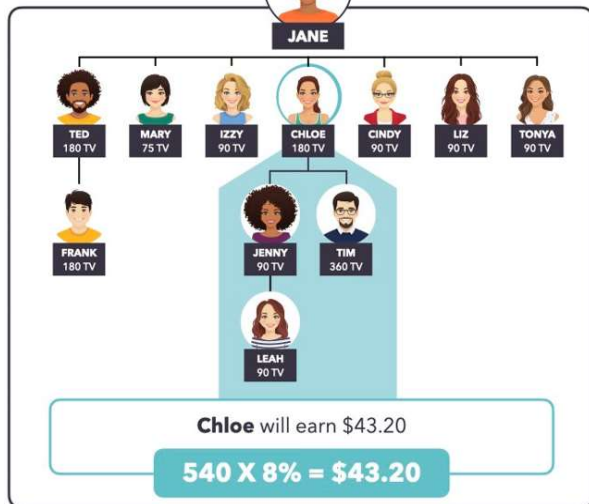
Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



540 TV = 8% BONUS

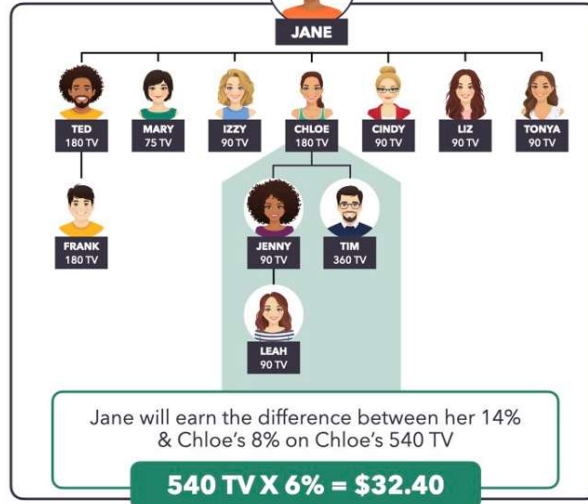
12

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



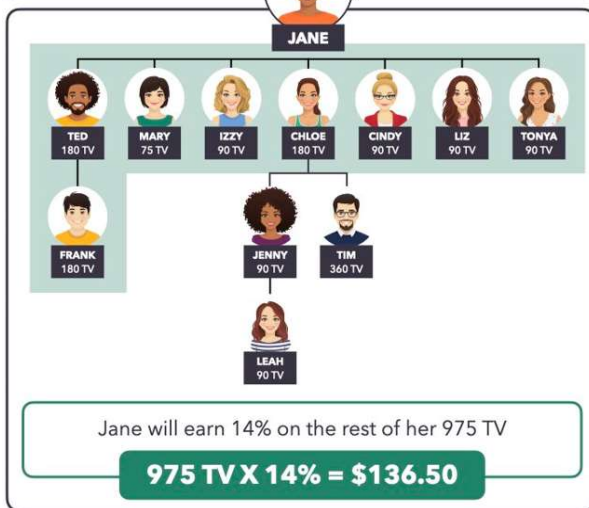
13

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



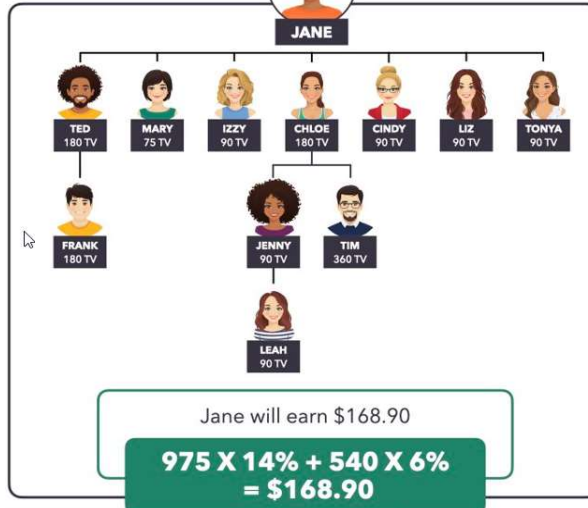
14

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



15

Qualifying Personally Sponsored Team Volume	Bonus %
250 - 499	Up to 4%
500 - 999	Up to 8%
1000 - 1499	Up to 12%
1500 - 1999	Up to 14%
2000	Up to 20%



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Team Cycle Bonus

Paid weekly to qualified Emerald, Diamond, and Star Diamond Distributors

Each week, up to thirty-five percent (35%) of the total Company Bonus volume is set aside for Team Cycle Bonus. *

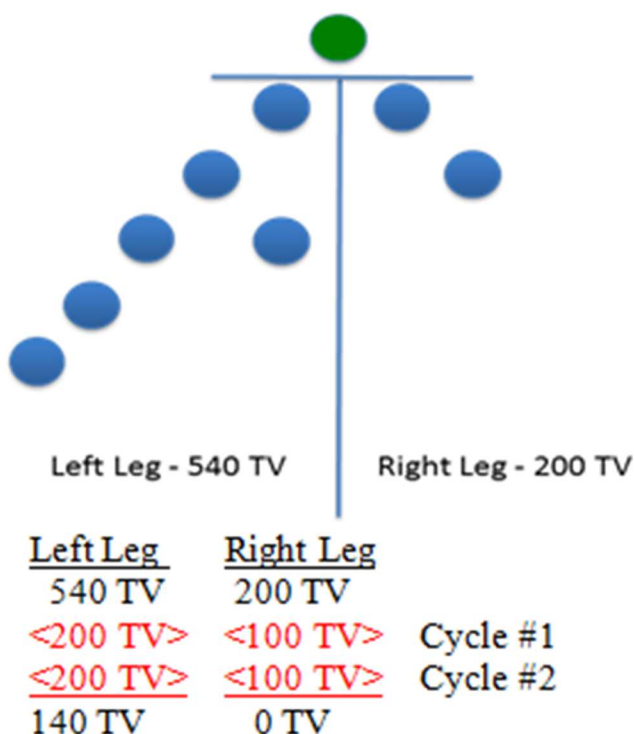
As an Active and Qualified Emerald or higher Distributor, your Distributor Business Center (CBC) will start accumulating and banking Team Volume (TV). Team Volume is generated by the sales of the Distributors in the left and right legs of your entire downline organization, regardless of depth. When the accumulated Team Volume totals 300 TV, with a minimum of one-third of the TV (100 TV) in one leg and two-thirds of the TV (200 TV) in the other leg, you earn a cycle. The 300 TV used for the cycle will be deducted from the appropriate Left and Right volume totals. The remaining volume will carry over to be applied towards your next cycle. As long as you have sufficient TV, you will cycle up to a maximum of 108 cycles per day.

Additionally, Distributors must meet the Earning Volume requirement. Earning volume represents the personal volume points associated with orders from customers and preferred customers accumulated over the last five bonus weeks. The earning volume active status requirement is 50 points and is applicable to team cycle bonus, matching bonus and quarterly diamond and star diamond bonuses.

Your Team Volume will remain in your CBC as long as you maintain your active status and until it is either applied to a cycle or subjected to a Master Cycle flush. Every 5,000 lifetime cycles, a **Master Cycle** occurs and a maximum of 5,000 TV in the strong leg (your leg with the most volume) and all of the volume in the weak leg carries over to the next cycle, which may occur in the same day.

Team Cycle Bonus example:

In the example below, an Emerald Distributor has accumulated Team Volume of 540 TV in their strong leg and 200 TV in their weak leg.



Cycle Values

Emerald Distributors earn \$12 per Cycle

Diamond and Star Diamond Distributors earn \$16 per Cycle

Potential Weekly Earnings Team Cycle Bonus per Week

Potential earnings from Team Cycle Bonus value have been set for each rank level within the BODi Compensation Plan. The weekly values shown in the chart below represent, for each rank level, the potential weekly earnings from Team Cycle Bonus.

Active and qualified Emerald and above Distributors will generate Team Cycles based upon their accumulated volume, up to the allowable number of cycles each day and will have that volume deducted from their available Team Volume totals. Payment will be issued based on the number of cycles generated up to the potential weekly earnings value for the rank level for which the Distributor is fully qualified. Cycles generated beyond the potential earnings value at each rank will be unpaid cycles.

Once the allowable number of cycles for a day has been generated for a Distributor, cycling will stop for that day and will resume the following day as long as the Distributor has sufficient volume to continue cycling.

Potential Weekly Team Cycle Bonus Earnings per Week

Ranks	Potential Weekly Team Cycle Bonus Per Business Center	Potential Annual Team Cycle Bonus Per Business Center
Coach	0	0
Emerald	\$100	\$5,200
Diamond	\$750	\$39,000
1 Star Diamond	\$1,000	\$52,000
2 Star Diamond	\$2,000	\$104,000
3 Star Diamond	\$3,000	\$156,000
4 Star Diamond	\$4,000	\$208,000
5 Star Diamond	\$7,000	\$364,000
6 Star Diamond	\$8,000	\$416,000
7 Star Diamond	\$9,000	\$468,000
8 Star Diamond	\$10,000	\$520,000
9 Star Diamond	\$11,000	\$572,000
10 Star Diamond and above	\$12,000	\$624,000

*In order to maintain the profitability required to successfully fund and operate the Distributor Business Opportunity and to ensure business stability for the Independent BODi Distributors, the Company has established a cap of thirty-five percent (35%) of the total accumulated Company TV to be paid in Team Cycle Bonuses, and may, if necessary, implement a Team Cycle Bonus payout adjustment that, in order to maintain the established cap, will adjust all Team Cycle Bonus payouts on an equal pro-rata basis for each CBC after the first 20 cycles. Accordingly, the first 20 cycles are exempt from proration.

Matching Bonus

Paid weekly to qualified Diamond and Star Diamond Distributors

Earn a matching bonus on the Team Cycle Bonuses earned by your personally sponsored Distributors. Diamond and Star Diamond Distributors each earn a ten percent (10%) matching bonus.

To be paid the Matching Bonus, Distributors must meet the Earning Volume requirement. Earning volume represents the personal volume points associated with orders from customers and preferred customers accumulated over the last five bonus weeks. The earning volume active status requirement is 50 points and is applicable to team cycle bonus, matching bonus and quarterly diamond and star diamond bonuses.

Diamond and Star Diamond Leadership Bonus

Paid quarterly to qualified Diamond and higher Distributors

The Company sets aside two percent (2%) of the total Company TV, which is paid quarterly to our top producing Active and Qualified Diamond and Star Diamond Distributors. This 2% pool is allocated to the following bonus pools as identified below.

- Pool # 1 – Active and Qualified Diamond or One Star Diamond - 12%
- Pool # 2 – Active and Qualified Two Star Diamond or higher - 25%
- Pool # 3 – Active and Qualified Five Star Diamond or higher - 25%
- Pool # 4 – Active and Qualified Ten Star Diamond or higher - 25%
- Pool # 5 – Active and Qualified Fifteen Star - 13%

Diamond Leadership Bonus

In order to qualify to participate in the Diamond bonus pool:

Distributors must be a Lifetime One Star Diamond or above at the start of the quarterly period and maintain a paid rank of Diamond for six (6) consecutive bonus periods all within a 13-week quarter as defined by BODi. Each pool will be equally divided by the total number of qualifying Distributors for that applicable pool. Additionally, each qualifying distributor must earn 10 Success Club points during the quarter.

In order to receive the Diamond bonus payment as a qualified Distributor:

Distributors must meet the 50 point Earning Volume requirement associated with the final bonus week of the qualifying period.

Star Diamond Leadership Bonus

Each of the Qualified Star Diamond ranks share equally in the Star Diamond Bonus Pools in which they are qualified to participate.

In order to qualify to participate in the Star Diamond bonus pool:

Distributors must achieve and maintain a Qualification Status of 2 or higher, 5 or higher, 10 or higher, or 15 Star Diamond for six (6) consecutive bonus periods all within a 13-week quarter as defined by BODi. Each pool will be equally divided by the total number of qualifying Distributors for that applicable pool.

If no Distributors qualify to participate in a specific bonus pool, then any unpaid accumulated Star Diamond Leadership bonuses will roll over to the next quarterly qualification period until they are paid. A calendar representing key dates for the quarterly qualifying periods for each calendar year will be published in the Distributor Office.

In order to receive the Star Diamond bonus payment as a qualified Distributor:

For Two Star Diamond Leadership Bonus Pools, Distributors who properly qualify as detailed above must also earn a minimum of 10 Success Club points during the quarterly qualifying period. Additionally, Distributors must meet the 50 point Earning Volume requirement associated with the final bonus week of the qualifying period. For those Distributors who properly qualify but do not earn a minimum of 10 Success Club points during the quarterly qualifying period, their applicable share of one or more of the Diamond Leadership Bonus Pools will be forfeited and not rolled into an existing or future Diamond Leadership Bonus Pool.

For each of the Five, Ten or Fifteen Star Diamond Leadership Bonus Pools, Distributors who properly qualify as detailed above must also earn a minimum of 10 Elite points during the quarterly qualifying period. Additionally, Distributors must meet the 50 point Earning Volume requirement associated with the final bonus week of the qualifying period. For those Distributors who properly qualify but do not earn a minimum of 10 Elite points during the quarterly qualifying period, their applicable share of one or more of the Diamond Leadership Bonus Pools will be forfeited and not rolled into an existing or future Diamond Leadership Bonus Pool.

Additional Distributor Business Centers

BODi Distributors may qualify to open up to 25 Distributor Business Centers. Each additional business center may participate in all of the earning opportunities.

Once a Distributor's CBC#1 achieves a Two Star Diamond rank, the Distributor can optionally request to open up one additional CBC (CBC#2) downline from CBC#1. Additional CBCs must be started and built as new CBCs, and for the avoidance of doubt, a new CBC

cannot be opened by acquiring a preexisting CBC. CBC#2 can start the process of building and qualifying for advancing ranks. Once CBC#2 has achieved an Active and Qualified Two Star Diamond rank, then the CBC#2 may optionally request one additional CBC (CBC#3) anywhere in the Distributor’s original organization (i.e., downline from CBC#1). This process of qualifying for additional Distributor Business Centers may be repeated until the Distributor has a maximum total of 25 Distributor Business Centers.

Additional Distributor Business Centers must qualify independently for participation in the Star Diamond Leadership Bonus. Each CBC may only count their own personally sponsored downline diamond Distributors toward that specific CBC’s qualification and participation in the Star Diamond Bonus Pool.

Distributors who have qualified for and operate multiple Distributor Business Centers may cancel and re-open their most recently opened CBC following a six-month waiting period, provided that this most recently opened business center has not achieved a lifetime rank higher than Diamond. If that most recently opened business center has achieved a lifetime rank of one-star Diamond or above, the Distributor may not close that business center unless they are resigning as a BODi Distributor, whereby all Distributor Business Centers associated with that Distributor would be closed completely.

Retail Sales Requirements for All Additional Distributor Business Centers

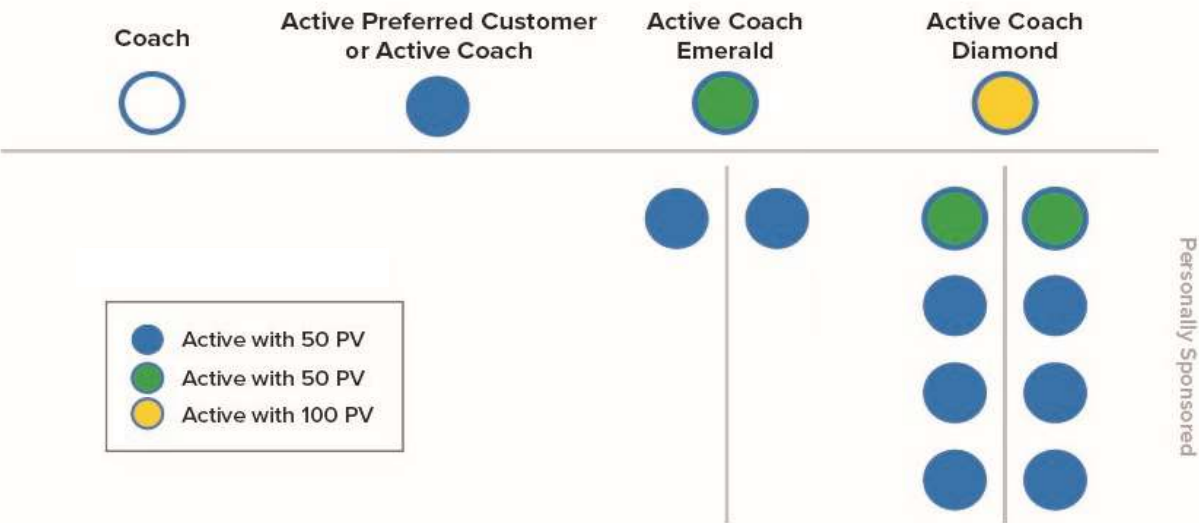
For each additional downline CBC that a Distributor opens after CBC#1, 100 percent of the PV (which determines the Team Cycle Bonus payout) needs to be generated through retail sales (i.e., non-Distributor orders) from either Website retail sales to Customers and/or BODi on Demand memberships.

RANKS AND QUALIFICATIONS

There is a total of 19 Official ranks in the BODi Compensation Plan.

Official Ranks

- Distributor** – has established a BODi Distributor account.
- Emerald Distributor** – is Active, has met the Emerald PV requirements of 50 PV, and has one (1) personally sponsored Active Distributor (or higher) or active Preferred Customer on his right and left legs.
- Diamond Distributor** – is Active, has a minimum of 100 PV, and has one (1) personally sponsored Active Emerald Distributor (or higher) on each of his right and left legs, plus three (3) additional Active Distributors or active Preferred Customer on each of his left and right legs.










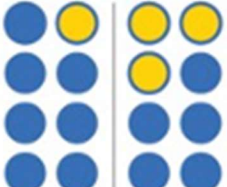

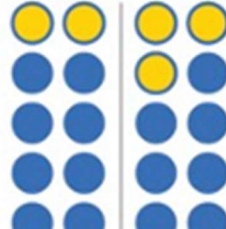
The following charts present the requirements for Team Cycle Bonus eligibility at each of the Star Diamond rank levels. Notable for each rank level are:

- The required number of Personally Sponsored Active Distributors or Active Preferred Customers at each Star Diamond rank
- The required minimum Personal Volume of 200 PV at all Star Diamond ranks
- The required balance of Personally Sponsored Diamond Distributors on each leg at each Star Diamond Rank (note that this changes at the 5-Star and 10-Star rank levels)

Note: Once the Personally Sponsored Active Distributors or Active Preferred Customers necessary to achieve and maintain the rank of Diamond Distributor have been met, the additional Personally Sponsored Active Distributors or Active Preferred Customers required for Star Diamond rank levels may be placed anywhere within a Distributor's downline; that is, there is no specific "balance" requirement on Personally Sponsored Active Distributors or Active Preferred Customers beyond that required for Diamond rank. The Personally Sponsored Active Distributors or Active Preferred Customers shown in the charts below reflect a balanced organization only for ease of display.


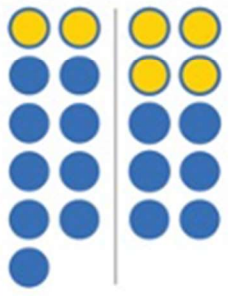

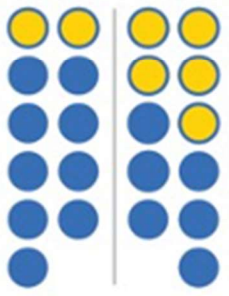

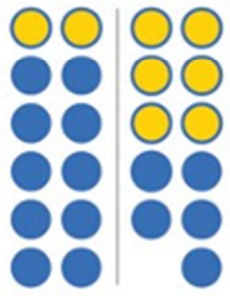

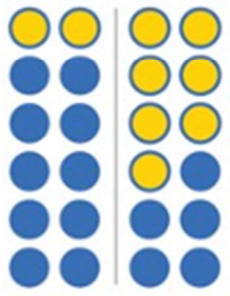

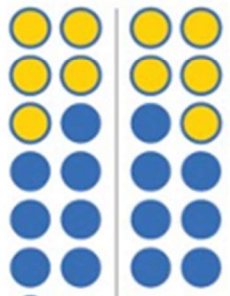
Star Diamond Ranks



Active 1 Star Diamond	Active 2 Star Diamond	Active 3 Star Diamond	Active 4 Star Diamond	Active 5 Star Diamond
<ul style="list-style-type: none"> • Must be a Diamond • Must have 1 PS Diamond • Must have a minimum of 10 PS Active Preferred Customers or Coaches (including the PS Diamonds)  	<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 1 PS Diamond on each leg • Must have a total of 2 PS Diamonds • Must have a minimum of 12 PS Active Preferred Customers or Coaches (including the PS Diamonds)  	<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 1 PS Diamond on each leg • Must have a total of 3 PS Diamonds • Must have a minimum of 14 PS Active Preferred Customers or Coaches (including the PS Diamonds)  	<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 1 PS Diamond on each leg • Must have a total of 4 PS Diamonds • Must have a minimum of 16 PS Active Preferred Customers or Coaches (including the PS Diamonds)  	<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 2 PS Diamonds on each leg • Must have a total of 5 PS Diamonds • Must have a minimum of 20 PS Active Preferred Customers or Coaches (including the PS Diamonds)  

Star Diamond Ranks

- Active with 50 PV
- Active with 50 PV
- Active with 100 PV

Active 6 Star Diamond	Active 7 Star Diamond	Active 8 Star Diamond	Active 9 Star Diamond	Active 10 Star Diamond
<ul style="list-style-type: none"> Must be a Diamond Must have at least 2 PS Diamonds on each leg Must have a total of 6 PS Diamonds Must have a minimum of 21 PS Active Preferred Customers or Coaches (including the PS Diamonds) 	<ul style="list-style-type: none"> Must be a Diamond Must have at least 2 PS Diamonds on each leg Must have a total of 7 PS Diamonds Must have a minimum of 22 PS Active Preferred Customers or Coaches (including the PS Diamonds) 	<ul style="list-style-type: none"> Must be a Diamond Must have at least 2 PS Diamonds on each leg Must have a total of 8 PS Diamonds Must have a minimum of 23 PS Active Preferred Customers or Coaches (including the PS Diamonds) 	<ul style="list-style-type: none"> Must be a Diamond Must have at least 2 PS Diamonds on each leg Must have a total of 9 PS Diamonds Must have a minimum of 24 PS Active Preferred Customers or Coaches (including the PS Diamonds) 	<ul style="list-style-type: none"> Must be a Diamond Must have at least 5 PS Diamonds on each leg Must have a total of 10 PS Diamonds Must have a minimum of 25 PS Active Preferred Customers or Coaches (including the PS Diamonds)
 	 	 	 	 

Personality Sponsored

Star Diamond Ranks



Active 11 Star Diamond	Active 12 Star Diamond	Active 13 Star Diamond	Active 14 Star Diamond	Active 15 Star Diamond
<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 5 PS Diamonds on each leg • Must have a total of 11 PS Diamonds • Must have a minimum of 26 PS Active Preferred Customers or Coaches (including the PS Diamonds) 	<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 5 PS Diamonds on each leg • Must have a total of 12 PS Diamonds • Must have a minimum of 27 PS Active Preferred Customers or Coaches (including the PS Diamonds) 	<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 5 PS Diamonds on each leg • Must have a total of 13 PS Diamonds • Must have a minimum of 28 PS Active Preferred Customers or Coaches (including the PS Diamonds) 	<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 5 PS Diamonds on each leg • Must have a total of 14 PS Diamonds • Must have a minimum of 29 PS Active Preferred Customers or Coaches (including the PS Diamonds) 	<ul style="list-style-type: none"> • Must be a Diamond • Must have at least 5 PS Diamonds on each leg • Must have a total of 15 PS Diamonds • Must have a minimum of 30 PS Active Preferred Customers or Coaches (including the PS Diamonds)

For each of the Star Diamond Ranks (1 Star through 15 Star), a Distributor must achieve the requirements as set forth in the charts above AND must maintain those requirements for each of six (6) consecutive weekly bonus pay periods to fully achieve that rank level. For participation in the quarterly Star Diamond Leadership Bonus Pools (calculated and paid to active and qualified 2 Star, 5 Star, 10 Star and 15 Star Diamond Distributors), a Star Diamond Distributor must achieve the above requirements and maintain those requirements, and meet the earning volume requirement associated with the final bonus week of the qualifying period for each of six (6) consecutive weekly bonus periods, all within a 13-week quarter as defined by BODi.

Qualification Status

A tracking element known as Qualification Status (which is separate from Rank) is now in place to assist Distributors in tracking their qualification progress toward each of the Star Diamond Rank levels. The Qualification Status displays a Distributor's qualification levels for each period toward advancement to Star Diamond Rank. A Distributor must achieve the Qualification Status for a Star Diamond Rank level for six (6) consecutive periods to fully achieve that Star Diamond Rank. At the end of the sixth consecutive week for which a Qualification Status for Star Diamond level or higher has been maintained, the Distributor's rank will then reflect the fully achieved Rank level. To qualify for the Star Diamond Leadership Bonus Pools, Qualification Status for the 2 Star, 5 Star, 10 Star or 15 Star levels must be achieved and maintained for six (6) consecutive bonus periods, and meet the earning volume requirement associated with the final bonus week of the qualifying period, all within a 13-week quarter as defined by BODi.

Qualification Status Example:

In this example, a Diamond Distributor (shown as DC) achieves the requirements for the 1-Star Diamond level in Week 1 (shown as 1SDQ or 1-Star Diamond Qualifying). In Week 4, the Diamond Distributor achieves the requirements for 2-Star Diamond level and then in Week 4 has only met the requirements for 1-Star Diamond level. In Week 6, as a result of six (6) consecutive weeks of meeting the 1-Star Diamond level or higher, this Distributor’s rank reflects the full achievement of the 1-Star Diamond rank (shown as 1SD).

	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
Paid-As Rank	DC	DC	DC	DC	DC	1SD
Qualification Status	1SDQ	1SDQ	1SDQ	2SDQ	1SDQ	1SDQ