



# **Statement of Policies & Procedures**

PRÜVIT VENTURES, INC.

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## STATEMENT OF POLICIES & PROCEDURES

### 1.0 INTRODUCTION

#### 1.1 **Mutual Commitment Statement**

Pruvit Ventures, Inc. (hereinafter referred to as "**Pruvit**") recognizes that in order to develop a long-term and mutually rewarding relationship with its Compensation Plan participants (hereinafter referred to as "**Promoter(s)**" or "**Pruvers**") must acknowledge and respect the true nature of the relationship and support the "**Customers**".

- (a) In the spirit of mutual respect and understanding, Pruvit is committed to:
- (i) Provide prompt, professional and courteous service and communications to all of its Promoters and Customers;
  - (ii) Provide the highest level of quality products, at fair and reasonable prices;
  - (iii) Exchange or refund the purchase price of any product, service or membership as provided in our return policies contained herein;
  - (iv) Deliver orders promptly and accurately;
  - (v) Pay commissions accurately and on a timely basis;
  - (vi) Expedite orders if an error or unreasonable delay occurs;
  - (vii) Roll out new products and programs with Promoters input and planning;
  - (viii) Implement changes in the Compensation Plan or Policies and Procedures that affect the Promoters with input from the Customers (note: such changes will be effective thirty (30) days after the date it was published);
  - (ix) Support, protect and defend the integrity of the Pruvit Business Opportunity;
  - (x) Offer Promoters an opportunity to grow with Pruvit with such growth guided by the principles of Servant Leadership.
- (b) In return, Pruvit expects that its Promoters will:
- (i) Conduct themselves in a professional, honest, and considerate manner;
  - (ii) Present Pruvit Corporate and product information in an accurate and professional manner;
  - (iii) Present the Compensation Plan and return and exchange policies

contained herein in a complete and accurate manner;

- (iv) Not make exaggerated income or product claims;
- (v) Make reasonable effort(s) to support and train other Promoters and Customers in their downline;
- (vi) Not engage in cross-line recruiting, unhealthy competition or unethical business practices;
- (vii) Provide positive guidance and training to Prüvit Promoters and Customers in their downline while exercising caution to avoid interference with other downlines. As such, a Promoter is discouraged from providing cross-line training to other Promoters or Customers in a different organization without first obtaining consent of the Promoter's or Customer's upline leader;
- (viii) Support, protect, and defend the integrity of the Prüvit Business Opportunity;

## 1.2 Code of Ethics

- (a) Prüvit desires to provide its independent Promoters with the best products and services and Compensation Plan in the industry. Accordingly, Prüvit values constructive criticism and encourages the submission of written comments addressed to Prüvit Compliance Department.
- (b) Pruver's negative and disparaging comments about Prüvit, its products, the Agreement or Compensation Plan, made to Prüvit, or to the field or at any Prüvit meeting and/or event, or disruptive behavior at any meeting and/or event, serve no purpose other than to dampen the enthusiasm of other Promoters and Customers. Prüvit Promoters must not belittle Prüvit, fellow Prüvit Promoters, Prüvit products or services, the Compensation Plan, or any and all Prüvit directors, officers, or employees, product suppliers or agents. Such conduct represents a material breach of these Policies and Procedures and may be subject to sanctions as deemed appropriate by Prüvit.
- (c) Prüvit endorses the following code of ethics:
  - (i) A Prüvit Promoter must show fairness, tolerance, and respect to all people associated with Prüvit, regardless of race, gender, social class or religion, thereby fostering a "positive atmosphere" of teamwork, good morale and community spirit.
  - (ii) A Promoter shall strive to resolve business issues, including situations with upline and downline Promoters, by emphasizing tact, sensitivity, good will taking care not to create additional problems.
  - (iii) Prüvit Promoters must be honest, responsible, professional and conduct themselves with integrity.



- (iv) Pruvit Promoters shall not make disparaging statements about Pruvit, other Promoters, Pruvit employees, product suppliers or agents, products, services, sales and marketing campaigns, or the Compensation Plan, or make statements that unreasonably offend, mislead or coerce others.
- (d) Pruvit may take appropriate action against a Promoter if it determines, in its sole discretion, that a Promoter's conduct is detrimental, disruptive, or injurious to Pruvit or to other Promoters.

### **1.3 Pruvit Policies & Procedures and Compensation Plan Incorporated into the Pruver Agreement**

- (a) Throughout these Policies & Procedures, when the term "Agreement" is used, it collectively refers to the Pruvit on-line Application, the most current version of the Policies and Procedures in effect and any addendums thereto, the *Compensation Plan*, also referred to as the 'Pruvit Prformance Rewards' (attached hereto as "ADDENDUM 2") and incorporated herein for all purposes), and any and all social media guidelines or any other guidelines which may be implemented from time to time and any amendments thereto.
- (b) It is the responsibility of the Sponsoring Promoter to provide the most current version of these Policies and Procedures (available on the Pruvit website), the Income Disclosure Statement, the Pruvit Compensation Plan, and any and all social media guidelines or any other guidelines which may be implemented from time to time and any amendments thereto to their downline Promoters.

### **1.4 Purpose of Policies & Procedures**

- (a) Pruvit is a community based networking company that markets products and services through a network of business owners. To clearly define the relationship that exists between Promoters and Pruvit, and to explicitly set a standard for acceptable business conduct, Pruvit has established these Policies and Procedures.
- (b) Pruvit Promoters and Customers are required to comply with; (i) all of the Terms and Conditions set forth in the Agreement which Pruvit may amend from time to time in its sole discretion in accordance with the terms hereof; and (ii) all Federal, State, and/or local laws governing his, her and/or its Pruvit business.
- (c) Pruvit Promoters must review the information in these Policies and Procedures carefully. Should a Promoter have any questions regarding a policy or rule, the Promoter is encouraged to seek an answer from their Sponsor or any other upline Promoter. If further clarification is needed, the Promoter may contact the Pruvit Customer Service Team by submitting an email to: [support@pruvithq.com \(Global\)](mailto:support@pruvithq.com), [supporthk@pruvithq.com\(Asia\)](mailto:supporthk@pruvithq.com).

### **1.5 Changes, Amendments, and Modifications**

- (a) Because Federal, state and local laws, as well as the business environment, periodically change, Pruvit reserves the right to amend the Pruvit Agreement

and the prices in its 'Pruvit Product Price List' (attached hereto as "ADDENDUM 1" and incorporated herein for all purposes) in its sole and absolute discretion. Notification of amendments shall appear in all official Pruvit materials, Pruvit website, social media outlets or the Pruver's back office.

- (b) Any such amendment, change, or modification shall be effective thirty (30) days following notice by one of the following methods:
  - i. Posting on the official Pruvit website;
  - ii. Electronic mail (e-mail); or
  - iii. Any Pruvit communication channels or social media outlets (ie. Facebook, Instagram, Twitter and/or Pruvit Pulse App).

## **2.0 BASIC PRINCIPLES**

### **2.1 Becoming A Pruvit Promoter**

- (a) To become a Promoter, an applicant must comply with the following requirements:
  - (i) Be of the age of majority (not a minor) in his or her province or territory of residence;
  - (ii) Reside or have a valid address in the United States or U.S. territory, Canada, Australia or country wherein Pruvit is licensed to operate.
  - (iii) Have a valid tax payer identification number (i.e. Social Security Number, Federal Tax ID Number (TIN) or federal Business Number;
  - (iv) Enter a verified mobile phone number, which is not in use or associated with any other Pruvit accounts, which will be verified through a verification code sent to the number.

### **2.2 New Promoter Registration**

- (a) A potential new Promoter may self-enroll on any Promoter/Sponsor's website. In such event, Pruvit will accept the web enrollment and Pruvit Application by accepting the "electronic signature" stating the new Promoter has accepted all terms and conditions of such the Pruvit Agreement. Please note that such electronic signature constitutes a legally binding agreement between the Promoter and Pruvit.
- (b) Signed documents, including, but not limited to, Promoter personal agreements, are legally binding contracts which must not be altered, tampered with or changed in any manner after they have been signed. False or misleading information, forged signatures or alterations to any document, including business registration forms, made after a document has been signed may lead to sanctions, up to and including involuntary termination of the



Promoter's position.

- (c) If one applicant enrolls creating an Account listing a certain sponsor and enrolls a second time listing multiple sponsors, only the first completed form to be received by Prüvit will be accepted. Prüvit reserves the right, at its sole discretion, to make the final decision with respect to all such disputes.

### **3.0 PRUVIT'S PROMOTER RESPONSIBILITIES**

#### **3.1 Correct Address**

- (a) It is the responsibility of the Promoter or Customer to make sure Prüvit has the correct shipping address before any orders are shipped.
- (b) A Promoter and/or Customer will need to allow up to seventy-two (72) hours for processing after the notice of address change has been received by Prüvit Support Team.

#### **3.2 Training and Leadership**

- (a) Any Prüvit Promoter who Sponsors another Promoter into Prüvit must perform an authentic assistance and training function to ensure his or her downline is properly operating his or her Prüvit business. Sponsoring Promoters should have ongoing contact and communication with the Promoters in their downline organizations. (Examples of communication may include, but are not limited to, newsletters, written correspondence, telephone, direct contact, team conference calls, voice-mail, e-mail, personal meetings, accompaniment of downline Promoters to Prüvit meetings, training sessions, events, workshops, and any other related functions.)
- (b) A Sponsoring Prüvit Promoter should monitor the Promoters in his or her downline organizations to ensure that downline Promoters do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, such Promoter should be able to provide documented evidence to Prüvit of his or her ongoing fulfillment of the responsibilities of a Sponsor.
- (c) Upline Promoters are encouraged to educate and train new Promoters about Prüvit's products and services, effective sales techniques, the Prüvit Compensation Plan, along with compliance with Prüvit Policies and Procedures and any and all social media guidelines or any other guidelines and amendments thereto implemented at that time. Marketing product is a required activity in Prüvit and must be emphasized in all recruiting presentations.
- (d) We emphasize and encourage all Promoters to sell Prüvit's products and services to Customers.
- (e) Use of Sales Aids. To promote both the products and the opportunity Prüvit offers, Promoters must use the sales aids and support materials produced by Prüvit. If Prüvit Promoters develop their own sales aids and promotional

materials, which includes Internet advertising, notwithstanding Promoters' good intentions, along with the intentional violation of any number of statutes or regulatory laws affecting the Prüvit business. These violations, although they may be relatively few in number, could jeopardize the Prüvit opportunity for all Promoters. Accordingly, Promoters must submit via email all written sales aids, promotional materials, advertisements, websites, training material, flyers, along with any other literature to the Compliance Department for approval prior to use. COMPLIANCE EMAIL: [compliance@pruvithq.com](mailto:compliance@pruvithq.com)(Global), [complianceasia@pruvithq.com](mailto:complianceasia@pruvithq.com)(Asia). Unless the Promoter receives specific written approval to use the material, the request shall be deemed denied. All Promoters shall safeguard and promote the good reputation of Prüvit and its products. The marketing and promotion of Prüvit, the Prüvit opportunity, the Compensation Plan, and Prüvit products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

### **3.3 Sponsorship**

- (a) The Sponsor is the person who introduces a Promoter or Customer to Prüvit, helps them complete their enrollment, and supports and trains those in their downline.
- (b) Prüvit recognizes the Sponsor as the name(s) shown on the first:
  - (i) Physically signed Prüvit Pruver Agreement on file; or
  - (ii) Electronically signed Pruver Agreement from a website or a Prüvit Pruver website.
- (c) A Pruver Agreement that contains notations such as "by phone" or the signatures of other individuals (i.e. Sponsors, Spouses, relatives, or friends) is not valid and will not be accepted by Prüvit.
- (d) Prüvit recognizes that each new prospect has the right to ultimately choose his or her own Sponsor, but Prüvit will not allow Promoters to engage in unethical sponsoring activities.
- (e) All active Promoters in good standing have the right to Sponsor and enroll others into Prüvit. While engaged in sponsoring activities, it is not uncommon to encounter situations when more than one Promoter will approach the same prospect. It is the accepted courtesy that the new prospect will be sponsored by the first Promoter who presented a comprehensive introduction to Prüvit products or business opportunity.

### **3.4 Unethical Sponsoring**

- (a) Unethical sponsoring activities include, but are not limited to, enticing, bidding or engaging in unhealthy competition by attempting to acquire a prospect or new Promoter away from a fellow Promoter or influencing another Promoter to transfer to a different sponsor.

- (b) Allegations of unethical sponsoring must be reported in writing to the Prüvit Compliance Department within the first 30 days of the new Promoter enrollment in question. If the reports are substantiated, Prüvit may transfer the Promoter or the Promoter's downline to another sponsor or organization without approval from the current up-line Sponsor or Placement Promoters. Prüvit remains the final authority in such cases.
- (c) Prüvit prohibits the act of "Stacking." Stacking is the unauthorized manipulation of the Prüvit compensation system and/or the marketing plan in order to trigger commissions or cause a promotion off a downline Promoter in an unearned manner. One example of stacking occurs when a Sponsor places Promoter(s) under an inactive downline without his or her knowledge in order to trigger unearned qualification for commissioning purposes. Stacking is unethical and unacceptable behavior, and as such, it is a punishable offense with measures up to and including the termination of the independent Promoter positions of all individuals and/or entities found to be directly involved.
- (d) Should Promoters engage in solicitation and/or enticement of members of another direct sales company to sell or distribute Prüvit products and services to, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against a Promoter alleging that they engaged in inappropriate recruiting activity of another company's sales force or Customers, Prüvit will not pay any of Prüvit's defense costs or legal fees, nor will Prüvit indemnify the Promoter for any judgment, award, or settlement.

### **3.5 Cross Sponsoring Prohibition**

- (a) "Cross sponsoring" is defined as the enrollment into a different line of sponsorship of an individual, or Business Entity, that already has a signed Promoter Agreement. Actual or attempted cross sponsoring is not allowed. If cross sponsoring is verified by Prüvit, sanctions up to and including termination of a Promoter's position may be imposed.
- (b) The use of a Spouse's or relative's name, trade names, assumed names, DBA names, corporation, partnership, trust, Federal Business Numbers, or fictitious ID numbers to evade or circumvent this Policy is not permitted.
- (c) This Policy does not prohibit the transfer of a Prüvit business in accordance with Prüvit Transfer of Sale or Transfer Policy set forth in these Policies.

### **3.6 Solicitation for Other Companies or Products**

- (a) A Prüvit Promoter and/or Customer may participate in other direct sales, multilevel, network marketing or relationship marketing business ventures or marketing opportunities, as long as it is a non-competing product. However, during the Term of this Agreement and for six (6) months thereafter, a Prüvit Promoter may not recruit any fellow Prüvit Promoter or Customer for any other direct sales or network marketing business, unless that fellow Promoter or Customer was personally sponsored by such Promoter.



- (b) The term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another Promoter or Customer to enroll or participate in any direct sales or network marketing opportunity. This conduct represents recruiting even if the Promoter’s actions are in response to an inquiry made by another Promoter or Customer.
- (c) During the term of this Agreement any Prüvit Promoter must not sell, or entice others to sell, any competing products or services, including training materials, to Prüvit Customers or Promoters. Any product or service in the same category as a Prüvit product or service is deemed to be competing (i.e., any competing product or service regardless of differences in cost or quality.)
- (d) However, a Promoter may sell non-competing products or services to the Prüvit Customers and Promoters that they personally sponsored.
- (e) A Promoter may not display or bundle Prüvit products or services, in sales literature, on a website or in sales meetings, with any other products or services to avoid confusing or misleading a prospective Customer or Promoter into believing there is a relationship between the Prüvit and non-Prüvit products and services.
- (f) A Prüvit Promoter may not offer any non-Prüvit opportunity, products or services at any Prüvit related meeting, event, seminar or convention, or immediately following a Prüvit event.
- (g) A violation of any of the provisions in this section shall constitute unreasonable and unwarranted contractual interference between Prüvit and its Promoters and would inflict irreparable harm on Prüvit. In such event, Prüvit may, at its sole discretion, impose any sanction it deems necessary and appropriate against such Promoter or such Promoter’s positions including termination, or seek immediate injunctive relief without the necessity of posting a bond.

## **4.0 AGREEMENTS & GENERAL UNDERSTANDINGS**

### **4.1 Rights Granted**

- (a) Prüvit hereby grants to the Promoter a non-exclusive right, based upon the terms and conditions contained in the Agreement to:
  - (i) Purchase Prüvit products and services;
  - (ii) Promote and sell Prüvit products and services; and
  - (iii) Sponsor new Pruviters and Customers in countries where Prüvit is currently authorized to do business or becomes authorized to do business in the future.
  - (iv) No feature of the Compensation Plan constitutes a personal purchase requirement to become a Promoter, move up in rank in or otherwise fully participate in the Compensation Plan. No product purchase is

required of anyone at any time to fully participate as a Promoter.

#### **4.2 Renewals and Expiration of the Pruver Agreement**

- (a) If the Pruver allows his or her Pruver Agreement to expire due to nonpayment, the Pruver will lose any and all rights to his, her or its downline organization unless the Pruver re-activates within sixty (60) days following the expiration of the Application.
  - (i) If the former Pruver re-activates within the sixty (60) day time limit, the Pruver will resume the rank and position held immediately prior to the expiration of the Pruver Agreement. However, such Pruver's paid as level will not be restored unless he, she and/or an entity qualifies at that payout level in the new month. The Pruver is not eligible to receive commissions for the time period that the Pruver's position was expired.
  - (ii) Any Pruver who was terminated or whose Agreement has expired and lapsed the sixty (60) day grace period is not eligible to re-apply for a Pruvit business for six (6) months following the expiration of the Pruver Agreement.
  - (iii) The downline of the expired Promoter will roll up to the immediate, active upline Sponsor.

#### **4.3 Effect of Cancellation**

- (a) Following a Promoter's cancellation for inactivity or voluntary or involuntary termination (collectively, a "cancellation") such Promoter:
  - (i) Shall have no right, title, claim or interest to any commission or bonus from the sales generated by the Promoter's former organization or any other payments in association with the Promoter's former independent position;
  - (ii) Effectively waives any and all claims to property rights or any interest in or to the Promoter's former Downline organization;
  - (iii) Shall receive commissions and bonuses only for the last full pay period in which he or she was active prior to cancellation, less any amounts withheld during an investigation preceding an involuntary cancellation, and less any other amounts owed to Pruvit.

#### **4.4 Modification of the Promoter Agreement**

- (a) A Pruvit Promoter may modify his or her existing Promoter Agreement (i.e., add a Spouse or partner to the account, or change the form of ownership from an individual to a Business Entity owned by the Promoter) by submitting a written request, accompanied by a new Promoter Agreement and the Business Registration Form, if applicable, completed with fresh signatures (not a "crossed out" or "white-out" version of the first Agreement), and any appropriate supporting documentation.

#### **4.5 Unauthorized Transfer & Re-Enrollment**

- (a) In the event a Promoter discovers that a Promoter in their downline has re-enrolled under a different Promoter, the Promoter has thirty (30) days from the date the downline Promoter enrolled under a new Promoter to notify the Prüvit Compliance department and request the downline Promoter be transferred back to his/her downline. Upon the expiration of the thirty (30) day notice period, the right to re-claim a new Promoter to his or her downline will be waived.

#### **4.6 Change of Sponsors or Placement for Promoters**

- (a) Placement changes/corrections may be requested within a period of 72 hours from the time of enrollment. Such adjustments require written permission directed to the Support Department submitted from the personal back office of the sponsor as well as the Promoter to be moved and in some cases the upline distributor.
- (b) Sponsor changes are generally not permitted. However, sponsor corrections can be made if they are reported to the Support Department within 72 hours from the time of enrollment. Sponsor corrections must be requested from the distributor back office of the current (original) sponsor, stating the reason that the correction needs to be made.
- (c) At the discretion of Prüvit, Promoters who have not ordered products or services for at least 12 months, and who have not tendered a letter of termination resignation, are eligible to re-enroll in Prüvit under the Sponsor/Placement of their choice.
- (d) Upon written notice to Prüvit that a former Promoter wishes to re-enroll, Prüvit will “compress” (close) the original account. A new Prüvit ID number will then be issued to the former Promoter.
- (e) Such Promoter does not retain former rank, downline, or rights to commission from his or her former organizations.
- (f) Prüvit reserves the right to correct Sponsor or Placement errors at any time and in whatever manner it deems necessary.

#### **4.7 Change Organizations**

- (a) If a Prüvit Promoter wishes to transfer organizations, he or she must submit a letter of termination resignation to the Prüvit Customer Service Department and remain inactive (place no orders, or be on an auto ship) with or in Prüvit for 6 months from the receipt of the letter before being eligible to re-enroll under a different Sponsor/Placement.
- (b) Prüvit retains the right to approve or deny any request to re-enroll after a Promoter's termination.
- (c) If re-enrollment is approved, the former Promoter will be issued a new Prüvit ID number and will be required to submit a new Pruver Agreement. The Promoter will not be entitled to keep any former rank, downline, or rights to commission

from any prior organization.

#### **4.8 Placement Lounge**

- (a) When you personally enroll Promoters or Customers, they are automatically placed in your Placement Lounge for up to sixty (60) days.
- (b) Promoter has up to sixty (60) days to place the new promoter or customer into an open position in their placement tree. Upon the expiration of sixty (60) days this option expires indefinitely. Once the Promoter or Customer in your Placement Lounge have been placed they cannot be moved again.

#### **4.9 Voluntary Termination**

- (a) A Promoter may immediately terminate his or her position by submitting a written notice or email to the Pruvit Compliance Department at [compliance@pruvithq.com](mailto:compliance@pruvithq.com)(Global), [complianceasia@pruvithq.com](mailto:complianceasia@pruvithq.com)(Asia). The written notice must include the following:
  - (i) The Promoter's intent to terminate the Agreement;  
Date of termination;
  - (ii) Pruvit Identification Number;
  - (iii) Reason for terminating; and
  - (iv) A Pruvit Promoter may not use termination as a way to immediately change Sponsor and Placement. Instead, the Promoter who has voluntarily terminated is not eligible to reapply for a position or have any financial interest in a or any Pruvit business for 6 months from the receipt of the written notice of termination.
  - (v) Signature.

#### **4.10 Involuntary Termination**

- (a) Pruvit reserves the right to terminate a Promoter's position for, but not limited to, the following reasons:
  - (i) Violation of any Terms or Conditions of the Pruver Agreement;
  - (ii) Violation of any provision of these Policies and Procedures in effect at the time the violation occurred or was discovered;
  - (iii) Violation of any provision in the Compensation Plan;
  - (iv) Violation of any applicable law, ordinance, or regulation regarding the Pruvit business;
  - (v) Engaging in unethical business practices or violating standards of fair dealing; or

- (vi) Returning over \$500 worth of products, services and/or sales tools for a refund within a 12-month period.
- (b) Prüvit will notify the Promoter in writing by certified mail, return receipt requested or overnight documented mail, at his or her last known address of its intent to terminate the Promoter's position and the reasons for termination. The Promoter will have 15 calendar days from the date of mailing of such notice to respond in writing to the allegations or claims constituting cause for termination as stated in the notice. Prüvit will then have 30 calendar days from the date of receipt of the Promoter's response to render a final decision as to termination.
- (c) If a decision is made by Prüvit to terminate the Promoter's position, Prüvit will inform the Promoter in writing that the position is terminated effective as of the date of the written notification.
- (d) If the termination is not rescinded, the termination will be effective as of the date of the original termination notice by Prüvit. The former Promoter shall thereafter be prohibited from using the names, marks or signs, labels, stationery, advertising, or business material referring to or relating to any Prüvit products or services. Prüvit will notify the active Upline Sponsor within 10 days after termination. The organization of the terminated Promoter will "roll up" to the active Upline Sponsor on record.
- (e) The Prüvit Promoter who is involuntarily terminated by Prüvit may not reapply for a position, either under his or her present name or any other name or entity, without the express written consent of an officer of Prüvit, following a review by the Prüvit Compliance Committee. In any event, such Promoter may not re-apply for a position for 12 months from the date of termination.

## **5.0 BUSINESS ENTITIES**

### **5.1 Definition**

- (a) A corporation, partnership, or trust (collectively referred to as a ("Business Entity")) may apply to be a Prüvit Promoter.
- (b) A Prüvit Promoter may change their status under the same Sponsor from an individual to a partnership, corporation, trust or from one type of business entity to another.

### **5.2 Independent Business Relationship; Indemnification for Actions**

- (a) Promoters are independent contractors acting in the capacity of a wholly independent marketing representative who establish and services retail customers for Company products. Promoter status, as such does not constitute either a sale of a security, franchise or a distributorship (exclusive or otherwise), and absolutely no fees have been or will be required from Promoter for the right to distribute Company products pursuant to the Pruver Agreement. The Pruver Agreement is not intended and shall not be construed to create a relationship of employer-employee, agency, partnership, or joint venture between Promoter and any other participant in the Company



marketing plan and/or Company. As an independent contractor, Promoter will: (i) comply with all applicable federal, provincial and local laws, rules and regulations pertaining to the Pruver Agreement, including the sale, distribution and advertising of Company products, and (ii) at Promoter's own expense, complete all filings, and obtain such licenses as are required by applicable federal, provincial and local laws, rules and regulations, with respect to the Pruver Agreement and Promoter's activities as a Promoter.

- (b) Promoters have no authority to bind Company to any obligation. It is each Promoter's responsibility to pay all income, local or applicable taxes as an independent contractor, and Promoters are not eligible for employee benefits, such as unemployment compensation, worker's compensation or minimum wages. Company encourages its Promoters to set their own hours and to supply all of their own equipment and tools for operating their Company business, such as telephones, transportation, professional services, office equipment and supplies. Further, Promoters should determine their own methods of sale, so long as they comply with the policies of Company. Without limiting the generality of the foregoing, Promoters shall be fully responsible for (i) all applicable federal, state and local withholding taxes, worker's compensation contributions license requirements and fees related to the Promoter's earnings and activities as an Promoter, and (ii) all expenses incurred in connection with the operation of the Promoter's Company-related business, including but not limited to travel, meals, accommodation, secretarial, office, telephone and other business expenses.
- (c) The Prüvit Promoter is fully responsible for all of his or her verbal and written communications made regarding Prüvit products, services, and the Compensation Plan that are not expressly contained within official Prüvit materials. Promoters shall indemnify and hold harmless Prüvit, its directors, officers, employees, product suppliers and agents from any and against all liability including judgments, civil penalties, refunds, lawyer fees and court costs incurred by Prüvit as a result of the Promoter's unauthorized representations or actions. This provision shall survive the termination of the Prüvit Pruver Agreement.

### **5.3 Insurance**

- (a) **Business Pursuits Coverage.** Prüvit encourages Promoters to arrange insurance coverage for their business. A homeowner's insurance policy does not cover business related injuries, or the theft of, or damage to, inventory or business equipment. Prüvit Promoters need to contact their insurance agent to make certain their business property is protected. In most instances, this may be accomplished with a "Business Pursuit" endorsement to an existing homeowner's policy.
- (b) If a Promoter has questions about, or believes any errors have been made regarding commissions, bonuses, business reports, genealogy, orders or charges, the Promoter must notify Prüvit in writing within thirty (30) days of the date the error or incident in question occurred. Any such errors, omissions or problems not reported within thirty (30) days shall be deemed waived by the Promoter.

## **6.0 POLICY VIOLATIONS**

### **6.1 Reporting Policy Violation**

- (a) A Promoter who observes a policy violation by another Promoter, Promoter or Customer associated with Pruvit should submit an e-mail to [compliance@pruvithq.com](mailto:compliance@pruvithq.com) (Global), [complianceasia@pruvithq.com](mailto:complianceasia@pruvithq.com)(Asia) any and all violations directly to the Pruvit Corporate office. The message shall set forth the details of the incident as follows: The nature of the violation:
  - (i) Specific facts to support the allegations;
  - (ii) Dates;
  - (iii) Number of occurrences;
  - (iv) Persons involved; and
  - (v) Supporting documentation
- (b) Once the matter has been presented to Pruvit, it will be researched thoroughly by the Compliance Department and appropriate action will be taken if required.
- (c) This section refers to the general reporting of Policy violations as observed by other Promoters for the mutual effort to support, protect, and defend the integrity of the Pruvit business and opportunity. If a Promoter has a grievance or complaint against another Promoter which directly relates to his or her Pruvit business, the Procedures set forth in these Policies must be followed.

### **6.2 Adherence to the Pruvit Compensation Plan**

- (a) A Promoter must adhere to the terms of the Pruvit Compensation Plan as set forth in these Policies and Procedures as well as in official Pruvit literature. Deviation from the Compensation Plan is prohibited.
- (b) A Promoter shall not offer the Pruvit opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Pruvit literature.
- (c) A Promoter shall not require or encourage a current or prospective Promoter to participate in Pruvit in any manner that varies from the Compensation Plan as set forth in official Pruvit literature.
- (d) A Promoter shall not require or encourage a current or prospective Promoter to make a purchase from or payment to any individual or other entity as a condition to participating in the Pruvit Compensation Plan.

### **6.3 Adherence to Laws and Ordinances**

- (a) Many cities, counties and townships have laws regulating certain home-based businesses. Promoters must check their local laws and obey the laws that do apply to them.
- (b) A Prüvit Promoter /Promoter or Customer shall comply with all Federal and local laws and regulations in their conduct of his or her Prüvit business.
- (c) A Promoter accepts sole responsibility for and agrees to pay all fines and incur all liabilities for his or her actions that violate any laws or ordinances.

### **6.4 Compliance with Applicable Income Tax Laws**

- (a) A Promoter accepts sole responsibility for and agrees to pay all Federal, Provincial and local taxes on any income generated as an independent Promoter, and further agrees to indemnify Prüvit from any failure to pay such tax amounts when due.
- (b) If a Promoter's business is tax exempt, the Federal Business Number must be provided to Prüvit in writing.
- (c) Prüvit encourages all Promoters to consult with a tax advisor for additional information for their business. Prüvit is required to charge and remit sales tax to the various states or provinces based on the retail price. (Receipt of trips, prizes or awards in the amount of \$600.00 or more.)

### **6.5 One Prüvit Business Per Promoter**

- (a) A Pruver may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one (1) Prüvit business. No individual (together with their spouse) may have, operate or receive compensation from more than one Prüvit business. Individuals of the same family unit, excluding spouses, may each enter into or have an interest in their own separate Prüvit businesses, only if each subsequent family position is placed frontline to the first family member enrolled. A "family unit" is defined as parents or dependent children living at or doing business at the same address. Each position must build their position separate and independent of the other or the position will be deemed to be stacking.

### **6.6 Actions of Household Members or Affiliated Parties**

- (a) If any member of a Promoter's immediate household engages in any activity which, if performed by the Promoter, would violate any provision of the Agreement, such activity will be deemed a violation by the Promoter and Prüvit may take disciplinary action pursuant to these Policies and Procedures against the Promoter. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "Business Entity") violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and Prüvit may take disciplinary action against the Business Entity. Likewise, if a Promoter enrolls in Prüvit as a Business Entity, each Affiliated



Party of the Business Entity shall be personally and individually bound to, and must comply with, the Terms and Conditions of the Agreement.

#### **6.7 Identification Numbers and Pay-Out**

- (a) Each Promoter is required to provide his or her federal Social Security Number or Federal Tax Identification Number, if located in the United States or any of its territories to Prüvit at the time Promoter initiates a transfer of monies or earnings accumulated in the Promoter's Wallet. The transferring and disbursement of commission payments or bonuses acquired is known as a Pay-Out and Prüvit reserves the right to withhold Pay-Out from any Promoter who fails to provide such information or who provides false information.
- (b) Upon enrollment, Prüvit will provide a Prüvit Identification Number to the Pruver. This number will be used to place orders, structure organizations, and track commissions and bonuses.

#### **6.8 Sell, Assign or Delegate Ownership**

- (a) In order to preserve the integrity of the hierarchical structure, it is necessary for Prüvit to place restrictions on the transfer, assignment, or sale of a position.
- (b) A Prüvit Promoter may not sell or assign his or her rights or delegate his or her position as a Promoter without prior written approval by Prüvit, which approval will not be unreasonably withheld. Any attempted sale, assignment, or delegation without such approval may be voided at the discretion of Prüvit.
- (c) Should the sale be approved by Prüvit, the Buyer assumes the position of the Seller at the current qualified title, but at the current "paid as" rank, at the time of the sale and acquires the Seller's Downline.
- (d) To request corporate authorization for a sale or transfer of a Prüvit position, the following items must be submitted to the Prüvit Compliance Department:
  - (i) A Sale/Transfer of Position Form properly completed, with the requisite signatures.
  - (ii) A copy of the Sales Agreement signed, dated and notarized by both Buyer and Seller.
  - (iii) A Prüvit Pruver Agreement completed and signed by the signed by the Buyer and proof of good standing;
  - (iv) Payment of the \$100 administration fee paid by Seller;
  - (v) Any additional supporting documentation requested by Prüvit.
- (e) Any debt obligations that either Seller or Buyer may have with Prüvit must be satisfied prior to the approval of the sale or transfer by Prüvit.



- (f) A Prüvit Promoter who sells his or her position is not eligible to re-enroll as a Prüvit Promoter in any organization for six (6) full calendar months following the date of the sale except as otherwise expressly set forth in these Policies and Procedures.

#### **6.9 Separating a Prüvit Business**

- (a) Pending a divorce or dissolution of a partnership or other business entity, the parties must adopt one of the following methods of operation:
  - (i) One of the parties may, with the written consent of the other(s), operate the Prüvit business whereby the relinquishing Spouse (which term herein means either an individual that is legally married or an individual that is party to a legally recognized common law relationship), shareholders, partners, members or trustees authorize Prüvit to deal directly and solely with the other Spouse, non-relinquishing shareholder, partner, member or trustee;
  - (ii) The parties may continue to operate the Prüvit business jointly on a "business as usual" basis, whereupon all compensation paid by Prüvit will be paid in the name designated as the Promoters or in the name of the entity to be divided, as the parties may independently agree between them. If no name is stipulated, Prüvit will pay compensation to the name on record and in such event, the Pruver named on the account shall indemnify Prüvit from any claims from the other business owner(s) or the other Spouse with respect to such payment.
- (b) Prüvit recognizes only one Downline organization and will issue only one commission payment transfer per Prüvit business per commission cycle. Under no circumstances will the Downline of an organization be divided, nor will Prüvit split commission and/or bonuses.
- (c) If a relinquishing Spouse, partner or owner of the business has completely relinquished ("Relinquishing Party"), in writing, all rights to the original Prüvit business, he or she may immediately thereafter re-enroll under the Sponsor and Placement of his or her choice. In such cases, however, the Relinquishing Party shall have no rights to, and shall not solicit, any Promoter or active Customer in the former organization, and must develop a new business in the same manner as any other new Prüvit Promoter. A Promoter in the Relinquishing Party's former Downline who wishes to transfer to the Relinquishing Party's new organization or to any other organization, must comply with the requirements in Section 4.0.

#### **6.10 Succession**

- (a) The Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.
- (b) Upon the death or incapacity of a Promoter, the Promoter's business may be passed on to his or her legal successors in interest (successor). Whenever a Prüvit business is transferred by will or other testamentary process, the successor



acquires the right to collect all bonuses and commissions of the deceased Promoter's sales organization. The successor must:

- (i) Complete and sign a new Pruvit Pruver Agreement;
  - (ii) Comply with the Terms and provisions of the Pruver Agreement; and
  - (iii) Meet all of the qualifications for the last rank achieved by the former Promoter.
- (c) Bonus and commission of a Pruvit business transferred based on this section will be paid in a single transfer to the successor. The successor must provide Pruvit with an "address of record" to which all bonus and commission Payments will be sent. Payments will be based on the current performance of the position, not the highest rank or volume achieved.
- (d) If the business is bequeathed to joint devisees (successors), they must form a business entity and acquire a federal Business Number. Pruvit will issue all bonus and commission payments to the managing business entity only.
- (e) Appropriate legal documentation must be submitted to Pruvit Compliance Department to ensure the transfer is done properly. To affect a testamentary transfer of a Pruvit business, the successor must provide the following to Pruvit Compliance Department:
- (i) A certified copy of the death certificate; and
  - (ii) A notarized copy of the will or other appropriate legal documentation establishing the successor's right to the Pruvit business.
- (f) To complete a transfer of the Pruvit business because of incapacity, the successor must provide the following to the Pruvit Compliance Department:
- (i) A notarized copy of an appointment as trustee;
  - (ii) A notarized copy of the trust document or other appropriate legal documentation establishing the trustee's right to administer the Pruvit business; and
  - (iii) A completed Pruver Agreement executed by the trustee.
- (g) If the successor is already an existing Promoter, Pruvit will allow such Promoter to keep his or her own position plus the inherited position active for up to six (6) months. By the end of the six (6) month period, the Promoter must have compressed (if applicable), sold or otherwise transferred either the existing position or the inherited position.
- (h) If the successor wishes to terminate the Pruvit position, he or she must submit a notarized statement stating the desire to terminate the position, along with a certified copy of the death certificate, appointment as trustee, and/or any other appropriate legal documentation.



- (i) Upon written request, Pruvit may grant a 1 month bereavement waiver and pay out at the last "paid as" rank.

## **7.0 DISCIPLINARY ACTIONS**

### **7.1 Imposition of Disciplinary Action - Purpose**

- (a) It is the spirit of Pruvit that integrity and fairness should pervade among its Promoters, thereby providing everyone with an equal opportunity to build a successful business. Therefore, Pruvit reserves the right to impose disciplinary sanctions at any time, when it has determined that a Promoter has violated the Agreement or any of these Policies and Procedures or the Compensation Plan as they may be amended from time to time by Pruvit in accordance herewith.

### **7.2 Consequences and Remedies of Breach**

- (a) Disciplinary actions may include one or more of the following:
  - (i) Monitoring a Promoter's conduct over a specified period of time to assure compliance;
  - (ii) Issuance of a written warning or requiring the Promoter to take immediate corrective action;
  - (iii) Imposition of a fine (which may be imposed immediately or withheld from future commission payments) or the withholding of commission payments ("Commission Hold") until the matter causing the Commission Hold is resolved or until Pruvit receives adequate additional assurances from the Promoter to ensure future compliance;
  - (iv) Suspension from participation in Company or Promoter events, rewards, or recognition;
  - (v) Suspension of the Pruvit Pruver Agreement and position for one or more pay periods;
  - (vi) Involuntary termination of the Pruver's Agreement and position;
  - (vii) Any other measure which Pruvit deems feasible and appropriate to justly resolve injuries caused by the Pruver's Policy violation or contractual breach; OR
  - (viii) Legal proceedings for monetary or equitable relief.

### **7.3 Suspension Procedures**

- (a) First Violation: Counseling and initial warning letter.
  - (i) A first violation usually occurs because the Promoter is not familiar with the Policies and Procedures or the law. Counseling and the initial warning provide an opportunity for Compliance to bring to the attention of the

Pruvit the Policies and Procedures and the specific violation, and to provide counseling on complying with the Policies and Procedures and applicable laws. Compliance will also describe expectations and steps the Promoter must take to resolve the violation including, but not limited to, either removing or revising the non-compliant claim or how to remedy other policy violations. Within three days of this notice, Compliance will determine if the non-compliant material or other policy violation has been remediated. If so, Compliance will close the file. If not, Compliance will proceed to 2nd Violation notice.

- (b) Second Violation: Second warning letter and temporary suspension
  - (i) Although it is hoped that the Promoter will promptly correct the violation(s), Pruvit recognizes that this may not always occur. The second written warning indicates the seriousness of repeated violations and will prompt a temporary suspension of the Promoter's account. During the suspension period, the Promoter waives any and all rights to Pay-Out and must submit a signed a reinstatement letter wherein the Promoter acknowledges the violation(s) and describes the steps taken to correct the violation(s). Once the reinstatement letter is accepted by Pruvit, the suspension will be lifted and the Promoter will be able to request a Pay-Out. The Promoter may be subject to additional discipline up to and including termination if the violation is not remedied or further violations occur.
- (c) Third Violation: Suspension and final written warning
  - (i) Repeated violations of the Policies and Procedures is very problematic and potentially harmful. Therefore, the most effective and prudent action is suspension of the Promoter and forfeiture of commissions for at least a month. The final written warning letter will include notification of such suspension, the extent of the commission forfeiture, and an indication that if the Promoter violates the Policies and Procedures again, the Promoter will be terminated immediately.
- (d) Fourth Violation: Termination
  - (i) As described above, Pruvit will try to exercise the progressive nature of the Discipline Policy by first providing warnings, a final written warning and suspension and commissions forfeiture before proceeding to termination; however, Pruvit reserves the right to combine and omit steps depending on the circumstances of each situation and the nature of the violation. Furthermore, Promoter may be terminated without prior notice or disciplinary action, as authorized by the Policies and Procedures.

## **8.0 DISPUTE RESOLUTION**

### **8.1 Grievances**

- (a) If a Pruvit Promoter has a grievance or complaint against another Promoter regarding any practice or conduct relating to their respective Pruvit businesses, he or she is encouraged to resolve the issue directly with the other party. If an agreement cannot be reached, it must be reported directly to the



- Pruvit Compliance Department as outlined below in this Section.
- (b) The Pruvit Compliance Department will be the final authority on settling such grievance or complaint and its written decision shall be final and binding on the Promoters involved.
  - (c) Pruvit will confine its involvement to disputes regarding Pruvit business matters only. Pruvit will not decide issues that involve personality conflicts or unprofessional conduct by or between Promoters outside the context of a Pruvit business. These issues go beyond the scope of Pruvit and may not be used to justify a Sponsor or Placement change or a transfer to another Pruvit organization.
  - (d) Pruvit does not consider, enforce, or mediate third party agreements between Promoters, nor does it provide names, funding, or advice for obtaining outside legal counsel.
  - (e) Process for Grievances:
    - (i) The Pruvit Promoter should submit a letter of complaint (e-mail will be accepted) directly to the Pruvit Compliance Department. The letter shall set forth the details of the incident as follows:
      - (A) The nature of the violation;
      - (B) Specific facts to support the allegations;
      - (C) Dates;
      - (D) Number of occurrences;
      - (E) Persons involved; and
      - (F) Supporting documentation.
    - (ii) Upon receipt of the written complaint, Pruvit will conduct an investigation according to the following procedures:
      - (A) The Compliance Department will send an acknowledgment of receipt to the complaining Promoter;
      - (B) The Compliance Department will provide a verbal or written notice of the allegation to the Promoter under investigation. If a written notice is sent to the Promoter, he or she will have 10 business days from the date of the notification letter to present all information relating to the incident for review by Pruvit.
      - (C) The Compliance Department will thoroughly investigate the complaint, consider all the submitted information it deems relevant, including information from collateral sources. Due to the unique nature of each situation, determinations of the appropriate remedy will be on a case by case basis, and the

length of time to reach a resolution will vary.

- (D) During the course of the investigation, the Compliance Department will only provide periodic updates simply stating that the investigation is ongoing. No other information will be released during this time. Promoter calls, letters, and requests for “progress reports” during the course of the investigation will not be answered or returned.

- (f) Pruvit will make a final decision and timely notify the Pruvit Promoters involved.

## 8.2 Mediation

- (a) Promoter and Pruvit (collectively “the Parties”) recognize disputes and differences may arise between the Parties and therefore agree it is in their best interest to appoint an impartial mediator to resolve such disputes as they arise. Additionally, the Parties recognize that litigation in court can be time consuming and expensive, hence THE PARTIES AGREE TO THE FOLLOWING:
- (b) The Parties hereto agree to refer the following matters and responsibilities to the Mediator:
  - (i) The Mediator shall conduct the mediation based on the principle of party self-determination, in which the Parties come to a voluntary, uncoerced decision where each party makes free and informed choices.
  - (ii) The Mediator shall conduct any necessary separate or ex parte meetings and other communications with parties or representatives, before, during, and after any scheduled mediation conference.
  - (iii) The Parties should exchange all documents pertinent to the relief requested. The Mediator may request the exchange of memoranda and other information; items that a party wishes to keep confidential may be sent to the Mediator in a separate communication.
  - (iv) The Mediator does not have the authority to issue a settlement, but will help facilitate a satisfactory resolution of the dispute.
  - (v) The Mediator will not make decisions for a Party or act as an arbitrator. i. Should a complete settlement of some or all issues not be achieved, the Mediator may continue to communicate with the Parties following the mediation conference.
  - (vi) The Mediator is not a legal representative of any party.
  - (vii) The Mediator shall set the date, time, and place for each session of the mediation conference and the Parties shall respond in a timely manner.
- (c) The Mediator shall direct the Parties to file statements of their respective claims, legal submissions and reliefs claimed. Each party will file statements of defense in reply to the statements of claims of others. The Mediator shall allow the Parties to produce documents in support of their claims.

- (d) The Mediator shall allow the Parties to be represented by their respective advocates, who have the authority to consummate a settlement. Any party may participate without representation (pro se).
- (e) Mediation sessions and related mediation communications are private proceedings. The Parties and their representatives may attend mediation sessions. Other persons may attend only with the permission of the Parties and with the consent of the Mediator.

### **8.3 Termination of Mediation**

- (a) The mediation shall be terminated:
  - (i) By the execution of a settlement agreement by the Parties; or
  - (ii) By a written or verbal declaration of the Mediator to the effect that further efforts at mediation would not contribute to a resolution of the Parties' dispute; or
  - (iii) By a written or verbal declaration of all Parties to the effect that the mediation proceedings are terminated; or
  - (iv) When there has been no communication between the Mediator and any party or party's representative for twenty (21) days following the conclusion of the mediation conference.
- (b) Each Party will pay its own costs and expense of the mediation unless the Parties agree otherwise. The expenses of participants for either side shall be paid by the party requesting the attendance of such participants.
- (c) The Parties agree that all mediation communications are privileged and not subject to discovery or admissible in evidence in a proceeding unless waived or precluded by both Parties or unless the evidence would otherwise be admissible or subject to discovery if it were not by reason of its disclosure or use in mediation.
- (d) Jurisdiction and venue of any controversy or claim brought under this mediation provision shall be submitted to a Mediator with a principal office in Collin County, Texas. The mediation shall occur at the office of the Mediator or at any neutral location located in Collin County, Texas. The Parties further agree that the laws of the State of Texas shall govern all matters, claims or controversy submitted to mediation pursuant to the Agreement.

### **8.4 Severability**

- (a) If any provision of these Policies and Procedures is found to be invalid, or unenforceable for any reason, only the invalid provision shall be severed. The remaining terms and provisions hereof shall remain in full force and shall be construed as if such invalid or unenforceable provision never had comprised a part of these Policies and Procedures.

## 8.5 Waiver

- (a) Only an officer of Prüvit can, in writing, affect a waiver of the Prüvit Policies and Procedures. Prüvit's waiver of any particular breach by a Promoter shall not affect Prüvit's rights with respect to any subsequent breach, nor shall it affect the rights or obligations of any other Promoter.
- (b) The existence of any claim or cause of action of a Promoter against Prüvit shall not constitute a defense to Prüvit's enforcement of any term or provision of these Policies and Procedures.

## 8.6 Governing Law

- (a) Subject to and without waiving the terms set forth in Sections 8.2 (Mediation) and 8.3 (Termination of Mediation) above, jurisdiction and venue of any controversy or claim arising from the Agreement or between Prüvit and Promoter, shall be in Collin County, Texas. The law of the State of Texas shall govern all matters relating to or arising from the Agreement or between Prüvit and Promoter.

## 9.0 PAYMENT OF COMMISSIONS & BONUSES

### 9.1 Bonus and Commission Qualifications

- (a) A Promoter must be active and in compliance with any and all Prüvit Policies and Procedures set forth herein, along with all guidelines implemented to qualify for bonuses and commissions. So long as a Pruver complies with the terms and conditions set forth in the Agreement, Prüvit shall pay commissions to such Promoters in accordance with the Compensation Plan and any amendments thereto.
- (b) Prüvit will not issue a payment earned of any form to a Pruver without the receipt of a of the annual membership fee and completed electronic Prüvit Application.
- (c) Prüvit reserves the right to postpone bonus and commission payments until such time the cumulative amount exceeds \$25.00.

### 9.2 Computation of Commissions and Discrepancies

- (a) In order to qualify to receive commissions and/or bonuses, a Pruver must be in good standing and comply with the Terms of the Application and these Policies and Procedures. Commissions, bonuses, overrides, and achievement levels are calculated each month.
- (b) A Prüvit Promoter must review his or her monthly statement and bonus/commission reports promptly and report any discrepancies within thirty (30) days of receipt. After the thirty (30) day "grace period" no additional requests will be considered for commission recalculations.



- (c) For additional information on payment of commissions, please review the Compensation Plan, a copy of which is attached hereto as "ADDENDUM 2".

### **9.3 Adjustments to Bonuses and Commissions for Returned Products or Promoter Memberships.**

- (a) A Promoter receives bonuses and commissions based on the actual sales of products and services to end consumers and to Promoters through product and service purchases. When a product or service is returned to Pruvit for a refund from the end consumer or by a Promoter, the bonuses and commissions attributable to the returned product or service will be deducted from the Promoter who received bonuses or commissions on such sales. Deductions will occur in the month in which the refund is given and continue every pay period thereafter until the bonus/and or commission is recovered.
- (b) In the event that a Promoter terminates his or her position, and the amounts of the bonuses or commissions attributable to the returned products or services have not yet been fully recovered by Pruvit, the remainder of the outstanding balance may be offset against any other amounts that may be owed by Pruvit to the terminated Promoter.

## **10.0 ORDERING PRODUCT**

### **10.1 General Product Ordering Policies**

- (a) "Bonus Buying" is strictly and absolutely prohibited. Bonus Buying includes; (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Application by such individuals or Business Entities; (b) the fraudulent enrollment of an individual or entity as a Promoter or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or Business Entities as Promoters or Customers ("phantoms"); (d) purchasing Pruvit products or services on behalf of another Promoter or Customer, or under another Promoter's or Customer's ID number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of products, services or smartships that cannot reasonably be used or resold in a month; and/or (f) 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 consumers.
- (b) Pruvit requires that Promoters use their own credit cards and not allow others to use them. A Promoter shall not use another Promoter's or Customer's credit card or debit account to enroll in Pruvit or purchase products, services or smartship without the account holder's written permission. Such documentation must be kept by the Promoter indefinitely in case Pruvit needs to reference this.
- (c) Regarding an order with an invalid or incorrect payment, Pruvit will attempt to contact the Promoter by phone, mail or e-mail in order to obtain another form of payment. If these attempts are unsuccessful after the expiration of ten

(10) business days, the order will be canceled.

- (d) Prices are subject to change without notice.
- (e) A Promoter or Customer who is a recipient of a damaged or incorrect order must notify Prüvit within thirty (30) calendar days from receipt of the order and follow the Procedures as set forth in these Policies and Procedures, along with the Return/Exchange Policies and any and all guidelines instated and effective and any amendments thereto.

## 10.2 Sales to Customers

- (a) Sales to retail customers may be done directly through Promoters' replicated websites or directly using product that Prüvit has in inventory.
- (b) Promoters will comply with applicable consumer protection laws and regulations (including any consumer rights to receive specific notices and any rights to return product) afforded consumers under applicable consumer protection legislation. When making a sale to an end customer, a Promoter must provide him/her with an official Prüvit retail receipt at or prior to the time of the initial sale and every sale thereafter. Promoter will need to customize the template with his/her personal information. If the customer exercises the right to cancel the sale, Promoter shall follow the refund procedures described in this section.
- (c) The customer should return all unused Product to Prüvit. These sales receipts set forth:
  - (i) the consumer protection rights afforded by applicable law for direct sales, including the right to cancel (without any reason) the sales receipt up to ten (10) days after the end customer receives a copy of the receipt or invoice; and
  - (ii) Prüvit's thirty (30) day return policy. The retail sales receipt may be downloaded from Promoter's back office in template form. Promoters must duplicate the form and provide one to the retail customer and retain a copy for their records.

## 10.3 Insufficient Funds

- (a) All electronic payments that are declined for insufficient funds will be automatically re-submitted for payment.
- (b) Any outstanding balance owed to Prüvit by a Promoter or Customer of a Promoter from NSF (non-sufficient funds) or insufficient fund fees (ACH), will be withheld by Prüvit from that Promoter's future bonus and commission funds.
- (c) All transactions involving insufficient funds through ACH or credit card, which are not resolved in a timely manner by the Promoter, constitute grounds for disciplinary sanctions or termination of the account.

- (d) If a credit card order or automatic debit is declined the first time, the Customer or Promoter will be contacted directly and a request for an alternate form of payment will be made before any product will be shipped. If payment is declined a second time, the Customer or Promoter may be deemed ineligible to purchase Pruvit products or services or participate in the monthly auto ship. Note: Participation by Promoters in Pruvit's monthly auto ship, which is a recurring product order program, is entirely optional, and is not required in order to become a Promoter, move up in rank or otherwise, fully participate in the Rewards Program.

#### 10.4 Credit Card Purchases

- (a) Credit card purchases may only be made by the individual whose name and address are on the credit card. Any Promoter or Customer who uses another individual's credit card to pay for purchases risks having his/her Account being placed on suspension pending an investigation and resolution of any complaints regarding unauthorized charges. Pruvit considers such transactions fraudulent and will report them to the proper authorities for settlement.
- (b) Under no circumstance will any Promoter and/or Customer charge back any credit card purchases. Any Promoter and/or Customer who does so will immediately lose all credit card ordering privileges until the charges are replaced with certified funds. If an erroneous charge is applied to a Promoter and/or Customer's credit card, the Promoter or Customer should immediately contact the Pruvit Support Team via email at [support@pruvithq.com](mailto:support@pruvithq.com) (Global), [supporthk@pruvithq.com](mailto:supporthk@pruvithq.com) (Asia) to initiate an investigation and resolution.
- (c) If a Promoter or Customer notifies his/or her banking institution and requests a chargeback for the amount of the purchase, the person's Account will be automatically closed indefinitely upon Pruvit's notification of the disputed purchase.

#### 10.5 Sales Tax Obligation

- (a) The Pruver shall comply with all federal and local taxes and regulations governing the sale of Pruvit products and services.
- (b) Pruvit will collect and remit sales tax, on Pruver orders. When orders are placed with Pruvit, sales tax is prepaid based upon the suggested retail price. Pruvit will remit the sales tax to the appropriate Provincial and local jurisdictions. The Pruver may recover the sales tax when he or she makes a sale. Pruvit Pruvets are responsible for any additional sales taxes due on products marked up and sold at a higher price.
- (c) Pruvit encourages each Pruver to consult with a tax advisor for additional information for his or her business.
- (d) Pruvit required to charge and remit sales tax to the various states and U.S territories based on the retail price.

## 10.6 Refund Policy

- (a) Pruvit Customers:
  - (i) If within the first seven (7) days you are not satisfied with the product you must contact [support@pruvithq.com](mailto:support@pruvithq.com) (Global), [supporthk@pruvithq.com](mailto:supporthk@pruvithq.com) (Asia) to return the unused portion of the product for a full refund of the product purchase amount, minus shipping and handling charges incurred.
- (b) Pruvit Promoters:
  - (i) If within the first seven (7) days of the original purchase, you are not satisfied with the product, you must contact [support@pruvithq.com](mailto:support@pruvithq.com) (Global), [supporthk@pruvithq.com](mailto:supporthk@pruvithq.com) (Asia) to return the unused portion of the product for a full refund, minus shipping and handling charges. Your promoter account will then be subject to six (6) months suspension.
- (c) Problems with Shipments:
  - (i) If within seven (7) days of the expected reported delivery date, you do not notify [support@pruvithq.com](mailto:support@pruvithq.com) (Global), [supporthk@pruvithq.com](mailto:supporthk@pruvithq.com) (Asia) of a problem with the receipt of your order, including but not limited to, failure to receive the product, improper sealing, damaged to the container, quality of the internal product, and/or receipt of wrong product, refunds or exchanges will not be given.
- (d) All purchases are charged and refunded in U.S. Dollars. All returns, refunds and exchanges will also be refunded or exchanged in U.S. Dollars. Prüvit Ventures, Inc. is not responsible for fluctuating exchange rates.

## 10.7 Return Process

- (a) All returns, whether by a Customer, or Promoter, must be made as follows:
  - (i) Obtain a Return Merchandise Authorization ("RMA") from Pruvit by contacting [support@pruvithq.com](mailto:support@pruvithq.com)(Global), [supporthk@pruvithq.com](mailto:supporthk@pruvithq.com) (Asia) and submit a request.
  - (ii) Ship items to the address provided by Pruvit customer service when you receive your Return Merchandise Authorization.
  - (iii) Provide a copy of the sales receipt or invoice with the returned products or service. Such invoice must reference the RMA and include the reason for the return.
  - (iv) Ship product back in the original manufacturer's box exactly as it was delivered.
  - (v) All returns must be shipped to Pruvit pre-paid, as Pruvit does not accept shipping collect packages. Pruvit recommends shipping returned



product by UPS or FedEx which includes tracking information and insurance, as risk of loss or damage in the shipping process of the returned product shall be borne solely by the Customer or Promoter. If returned product is not received at the address provided on the RMA, it is the responsibility of the Customer or Promoter to trace the shipment of the product wherein no credit will be applied.

- (vi) The return of \$500 or more of products accompanied by a request for a refund within one (1) calendar year by a Promoter, may constitute grounds for involuntary termination.

## **11.0 PRUVIT OPPORTUNITY**

### **11.1 Presentation of Compensation Plan**

- (a) In presenting the Pruvit opportunity to potential Customers and Promoters, a Promoter is required to comply with the following provisions:
- (b) A Promoter shall not misquote or omit any significant material fact about the Compensation Plan.
  - (i) A Promoter shall make it clear that the Compensation Plan is based upon sales of Pruvit products and services and upon the sponsoring of other Promoters.
  - (ii) A Promoter shall make it clear that success can be achieved only through substantial and diligent independent efforts.
  - (iii) A Pruvit Promoter shall not make income projections, claims, or guarantees while presenting or discussing the Pruvit opportunity or Compensation Plan to prospective Promoters or Customers. A Pruvit Promoter should inform all Promoters that success requires substantial work.
  - (iv) A Promoter may not make any claims regarding products or services of any products offered by Pruvit, except those contained in official Pruvit literature.
  - (v) A Promoter may not use official Pruvit material to promote the Pruvit business opportunity in any country where Pruvit has not established a "presence" or is duly authorized to conduct business.

### **11.2 Sales Requirements Are Governed by the Compensation Plan**

- (a) Pruvit Promoters may purchase Pruvit products and then re-sell them at any price they choose, unless otherwise specified by Pruvit or by any/its product suppliers on a per product basis. Pruvit will provide suggested selling prices. There are no exclusive territories granted to anyone. No franchise fees are



applicable to a Pruvit business. Pruvit products may only be sold where Pruvit is licensed or otherwise authorized to conduct business.

- (b) The Pruvit program is built on sales to the ultimate consumer or end user. Pruvit encourages its Promoters to only purchase inventory, in reasonable quantities, that they and their family will personally consume, will be used as a sales tool, or will be resold to others for their ultimate consumption. Promoters must never attempt to influence any other Promoter to buy more products than they can reasonably use or sell to retail Customers in a month.
- (c) Each Pruvit Promoter commits to personally use, sell, or use in business building at least 70% of every order placed with Pruvit prior to placing another order, and must be able to certify as much if demanded by Pruvit or by any regulatory agency. **Purchasing product solely for the purpose of collecting bonuses or achieving rank is strictly prohibited.** Pruvit retains the right to limit the amount of purchases you may make if, in our sole judgment, we believe those purchases are being made solely for qualification purposes instead of for consumption or resale.

## **12.0 PROPRIETARY INFORMATION & TRADE SECRETS**

### **12.1 Business Reports, Lists, and Proprietary Information**

- (a) By agreeing to the Pruvit Pruver Agreement, the Promoter acknowledges that business reports, lists of Customer and Promoter names and contact information and any other information, which contain financial, scientific or other information both written or otherwise circulated by Pruvit or pertaining to the business of Pruvit (collectively, "Reports"), are confidential and proprietary information and trade secrets belonging to Pruvit.

### **12.2 Obligation of Confidentiality**

- (a) During the term of the Pruvit Pruver Agreement and for a period of two (2) years after the termination or expiration of the Pruver Agreement between the Promoter and Pruvit, the Promoter shall not;
- (b) Use the information in the Reports to compete with Pruvit or for any purpose other than promoting his or her Pruvit business;
- (c) Use or disclose to any person or entity any confidential information contained in the reports, including the replication of the genealogy in another network marketing company.

### **12.3 Breach and Remedies**

- (a) The Promoter acknowledges that such proprietary information is of such character as to render it unique and that disclosure or use thereof in violation of this provision will result in irreparable damage to Pruvit and to independent Pruvit businesses. Pruvit and its Promoters will be entitled to injunctive relief or



to recover damages against any Promoter who violates this provision in any action to enforce its rights under this section. The prevailing party shall be entitled to an award of lawyer's fees, court costs and expenses.

#### **12.4 Return of Materials**

- (a) Upon demand by Pruvit, any current or former Promoter will return the original and all copies of all "Reports" to Pruvit together with any Pruvit confidential information in such person's possession.

### **13.0 PRIVACY POLICY**

#### **13.1 Introduction**

- (a) This Privacy Policy is to ensure that all Customers and Promoters understand and adhere to the basic principles of confidentiality. Without limiting the terms of this section 7.0, all Promoters must comply with applicable privacy laws governing the collection, use and disclosure of Customer and fellow Promoter information.

#### **13.2 Expectation of Privacy**

- (a) Pruvit recognizes and respects the importance its Customers and Promoters place on the privacy of their financial and personal information. Pruvit will make reasonable efforts to safeguard the privacy of, and maintain the confidentiality of its Customers', and Promoters' financial and account information and nonpublic personal information.
- (b) By entering into the Pruver Agreement, a Promoter or Customer authorizes Pruvit to disclose his or her name and contact information to upline Promoters solely for activities related to the furtherance of the Pruvit business. A Promoter hereby agrees to maintain the confidentiality and security of such information and to use it solely for the purpose of supporting and servicing his or her downline organization and conducting the Pruvit business.

#### **13.3 Employee Access to Information**

- (a) Pruvit limits the number of employees who have access to Customer's and Promoters' nonpublic personal information.

#### **13.4 Restrictions on the Disclosure of Account Information**

- (a) Pruvit will not share non-public personal information or financial information about current or former Customers or Promoters with third parties, except as permitted or required by laws and regulations, court orders, or to serve the Customers', or Promoters' interests or to enforce its rights or obligations under these Policies and Procedures, or Pruver's Agreement or with written permission from the account holder on file.

### **14.0 ADVERTISING, PROMOTIONAL MATERIAL, USE OF COMPANY**

## **NAMES AND TRADEMARKS**

### **14.1 Labeling, Packaging, and Displaying Products**

- (a) A Pruvit Promoter and/or Customer may not re-label, re-package, refill, or alter labels of any Pruvit product, or service, information, materials or program(s) in any way. Pruvit products and services must only be sold in their original containers from Pruvit. Such re-labeling or re-packaging violates federal and regulatory laws, which may result in criminal or civil penalties or liability.
- (b) A Pruvit Promoter shall not cause any Pruvit product or service or any Pruvit trade name to be sold or displayed in retail establishments except;
  - (i) Where professional services are the primary source of revenue and the product sales are secondary (e.g., doctor's offices, clinics, health clubs, spas and beauty salons);
  - (ii) Where the retail establishment is owned or managed by the Pruvit Promoter and the store does not exceed \$1 million in annual gross revenue, and there are five (5) or fewer stores under common ownership of management.
- (c) A Promoter may sell Pruvit products and services and display the Pruvit trade name at any appropriate display booth (such as trade shows, expositions, conferences etc.) with the express written consent of Pruvit.
  - (i) A Promoter or Customer is prohibited to sell Pruvit products and services and display the Pruvit trade name, trademark or service mark at any kiosk or booth located in any retail establishment, such as a mall or retail facility.
  - (ii) Pruvit reserves the right to refuse authorization to participate at any function that it does not deem a suitable forum for the promotion of its products and services, or the Pruvit opportunity.

### **14.2 Use of Company Names and Protected Materials**

- (a) A Pruvit Promoter must safeguard and promote the good reputation of Pruvit and the products and services it markets. The marketing and promotion of Pruvit, the Pruvit opportunity, the Compensation Plan, and Pruvit products and services will be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct and practices.
- (b) All promotional materials supplied or created by Pruvit must be used in their original form and cannot be changed, amended or altered, except with prior written approval from the Pruvit Compliance Department.
- (c) The name of Pruvit, each of its product and service names and other names

that have been adopted by Prüvit, in connection with its business are proprietary trade names, trademarks and service marks of Prüvit. As such, these marks are of great value to Prüvit and are supplied to Promoters for their use only in an expressly authorized manner.

- (d) A Prüvit Promoter's use of the name "Prüvit" is restricted to protect Prüvit proprietary rights, ensuring that the Prüvit protected names will not be lost or compromised by unauthorized use. Use of the Prüvit name on any item not produced by Prüvit is prohibited except as follows:
  - (i) [Promoter's name] Independent Prüvit Promoter or Distributor.
  - (ii) [Promoter's name] Independent Promoter of Prüvit products and services.
- (e) Further procedures relating to the use of the Prüvit name are as follows:
  - (i) All stationary (i.e. letterhead, envelopes, and business cards) bearing the Prüvit name or logo intended for use by the Prüvit Promoter must be submitted via email to the Prüvit Compliance Department for approval. Submit to: [compliance@pruvithq.com](mailto:compliance@pruvithq.com) (global) [complianceasia@pruvithq.com](mailto:complianceasia@pruvithq.com) (Asia)
  - (ii) Prüvit Promoters may list "Independent Prüvit Promoter" in the white pages of the telephone directory under his or her own name.
  - (iii) Prüvit Promoters may not use the name Prüvit or Prüvit in answering his or her telephone, creating a voice message or using an answering service, such as to give the impression to the caller that they have reached the corporate office. They may state, "Independent Prüvit Promoter."
- (f) Certain photos and graphic images used by Prüvit in its advertising, packaging, and websites are the result of paid contracts with outside vendors that do not extend to Promoters. If a Promoter wants to use these photos or graphic images, they must negotiate individual contracts with the vendors for a fee.
- (g) A Prüvit Promoter shall not appear on or make use of television or radio, or make use of any other media to promote or discuss Prüvit or its programs, products or services without prior written permission from the Prüvit Compliance Department.
- (h) A Promoter may not produce for sale or distribution any Company event or speech, nor may a Promoter reproduce Prüvit audio or video clips for sale or for personal use without prior written permission from the Prüvit Compliance Department.
- (i) Prüvit reserves the right to rescind its prior approval of any sales aid or promotional materials to comply with changing laws and regulations and may request the removal from the marketplace of such materials without

financial obligation to the affected Promoter.

- (j) A Promoter shall not promote non-Prüvit products or services in conjunction with Prüvit products or services on the same social media site or same advertisement without prior approval from Prüvit Compliance Department.
- (k) Claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Prüvit may not be made except those contained in official Prüvit literature. In particular, no Promoter may make any claim that Prüvit 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 Prüvit policies, but they also potentially violate federal and provincial laws and regulations.
- (l) A Promoter shall not state or imply that the KETO//OS product can be taken as part of a weight loss strategy. The KETO//OS product is primarily intended to help elevate blood ketones, which can lead to a decrease in food cravings, increased satiety and improved energy levels. As stated above, a Promoter and/or Customer may not make any claims regarding products or services of any products offered by Prüvit, except those contained in official Prüvit literature.

### **14.3 Faxes and E-mail - Limitations**

- (a) Except as provided in this section, a Promoter may not use or transmit unsolicited email, mass email distribution, other commercial electronic messages or "spamming" that advertises or promotes the operation of his or her Prüvit business. The exceptions are:
  - (i) E-mailing any person who has given prior permission or invitation;
  - (ii) E-mailing any person with whom the Promoter has established a current business or personal relationship.
- (b) In all states or U.S. or International territories where prohibited by law, a Promoter may not transmit, or cause to be transmitted through a third party, (by telephone, facsimile, computer or other device), an unsolicited advertisement to any equipment, which has the capacity to transcribe text or images from an electronic signal received over a regular telephone line, cable line, ISDN, T1 or any other signal carrying device, except as set forth in this section.
- (c) All e-mail or computer broadcasted documents subject to this provision shall include each of the following:
  - (i) A clear and obvious identification that the fax or e-mail message is an advertisement or solicitation. The words "advertisement" or "solicitation" should appear in the subject line of the message;
  - (ii) A clear return path or routing information;

- (iii) The use of legal and proper domain name;
  - (iv) A clear and obvious notice of the opportunity to decline to receive further commercial facsimile or e-mail messages from the sender;
  - (v) Unsubscribe or opt-out instructions should be the very first text in the body of the message box in the same size text as the majority of the message;
  - (vi) The true and correct name of the sender, valid senders fax or e-mail address, and a valid sender physical address;
  - (vii) The date and time of the transmission;
  - (viii) Upon notification by recipient of his or her request not to receive further faxed or e-mailed documents, a Pruvit Promoter shall not transmit any further documents to that recipient.
- (d) All e-mail or computer broadcasted documents subject to this provision shall not include any of the following:
- (i) Use of any third-party domain name without permission;
  - (ii) Sexually explicit materials.

#### **14.4 Internet and Third-Party Website Restrictions**

- (a) A Promoter and/or Customer is prohibited from creating or registering any third-party website in order to promote, sell or advertise their Pruvit business. A Promoter and/or Customer is prohibited to use or attempt to register any of Pruvit's trade names, trademarks, service names, service marks, product names, URLs, advertising phrases, the Pruvit name or any derivative thereof, for any purpose including, but not limited to, Internet domain names (URL), third party websites, e-mail addresses, web pages, or blogs.
- (b) A Pruvit Promoter may not sell Pruvit products, services or offer the Business Opportunity using "online auctions," such as eBay®, Amazon, Etsy, Taobao or other external retail websites or auction sites.
- (c) Social Media sites may be used to sell or offer to sell Pruvit products or services. PROFILES A PROMOTER OR CUSTOMER GENERATES IN ANY SOCIAL COMMUNITY WHERE PRUVIT IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE PROMOTER AS AN INDEPENDENT PRUVIT PROMOTER, and when a Promoter and/or Customer participates in those communities, Promoters and/or Customers must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at Pruvit's sole discretion, and offending Promoter and/or Customer will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the Pruvit approved library, official Pruvit website or

social media outlet. If a link is provided, it must link to the posting Promoter's Replicated website.

- (d) Anonymous postings or use of an alias on any Social Media site is prohibited, and offending Promoters will be subject to disciplinary action.
- (e) Promoters and/or Customers may not use blog spam, spamdexing or any other mass-replicated methods to leave blog comments. Comments Promoters or Customers create or leave must be useful, unique, relevant and specific to the blog's article.
- (f) Promoters and/or Customers must disclose their full name on all Social Media postings, and conspicuously identify themselves as an Independent Pruvit Promoter for Pruvit. Anonymous postings or use of an alias is prohibited.
- (g) Postings that are false, misleading, or deceptive are prohibited. This includes, but is not limited to, false or deceptive postings relating to the Pruvit income opportunity, Pruvit's products and services, and/or your biographical information and credentials.
- (h) Promoter and/or Customer are personally responsible for their postings and all other online activity that relates to Pruvit. Therefore, even if a Promoter does not own or operate a blog or Social Media site, if a Promoter and/or Customer posts to any such site that relates to Pruvit or which can be traced to Pruvit, the Promoter is responsible for the posting. Promoter and/or Customer are also responsible for postings which occur on any blog or Social Media site that the Promoter and/or Customer owns, operates, or controls.
- (i) As a Pruvit Promoter, it is important to not converse with any person who places a negative post against you, other Promoters, or Pruvit. Report negative posts to Pruvit at [support@pruvithq.com](mailto:support@pruvithq.com). Responding to such negative posts often simply fuels a discussion with someone carrying a grudge that does not hold themselves to the same high standards as Pruvit, and therefore damages the reputation and goodwill of Pruvit.
- (j) The distinction between a Social Media site and a website may not be clear-cut, because some Social Media sites are particularly robust, Pruvit therefore reserves the sole and exclusive right to classify certain Social Media sites as third-party websites which are herein prohibited.
- (k) If your Pruvit business is cancelled for any reason, you must discontinue using the Pruvit name, and all of Pruvit's trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Social Media sites that you utilize. If you post on any Social Media site on which you have previously identified yourself as an Independent Pruvit Promoter, you must conspicuously disclose that you are no longer an Independent Pruvit Promoter.
- (l) Failure to comply with these Policies for conducting business online may result in the Promoter losing their right to advertise and market Pruvit products,





services and Pruvit's business opportunity online in addition to any other disciplinary action available under the Policies and Procedures.

#### **14.5 Advertising and Promotional Materials**

- (a) You may not advertise any Pruvit products or services at a price LESS than the highest company published, established retail price of ONE offering of the Pruvit product or service plus shipping, handling and applicable taxes. No special enticement advertising is allowed. This includes, but is not limited to, offers of free membership, free shipping, or other such offers that grant advantages beyond those available through the Company.
- (b) Advertising and all forms of communications must adhere to principles of honesty and propriety.
- (c) All advertising, including, but not limited to, print, Internet, computer bulletin boards, television, radio, etc., are subject to prior written approval by the Pruvit Compliance Department.
- (d) All requests for approvals with respect to advertising must be directed in writing to the Pruvit Compliance Department.
- (e) A Promoter who is currently paid at the Circle of Champions rank may create his or her own ads or promotional materials including the development of commercials or infomercials. However, all such materials, and any subsequent changes thereto, shall be submitted to the Pruvit Compliance Department for approval.
- (f) Circle of Champions are encouraged to work with the Compliance Department prior to the production of commercials, infomercials, or websites.
- (g) Pruvit reserves the right to rescind its prior approval of submitted advertising or promotional materials in order to comply with changing laws and regulations, and may require the removal of such advertisements from the marketplace without obligation to the affected Promoter.

#### **14.6 Testimonial Permission**

- (a) By agreeing to the Pruvit Pruver Agreement, a Promoter gives Pruvit permission to use his or her testimonial or image and likeness in corporate sales materials, including but not limited to print media, electronic media, audio and video. In consideration of being allowed to participate in the Pruvit Business Opportunity, a Promoter waives any right to be compensated for the use of his or her testimonial or image and likeness even though Pruvit may be paid for items or sales materials containing such image and likeness, and represents that any testimonial represents Promoter's current, original, honest opinion, thoughts, beliefs, findings or experiences, based on Promoter's actual experience with Pruvit and any stated use of Pruvit products and/or services, and agrees to notify Promoter immediately of any changes in the views expressed in the testimonial. In some cases, a Promoter's testimonial may appear in another Promoter's advertising materials. If a Promoter does not

wish to participate in Pruvit sales and marketing materials, he or she should provide a written notice to the Pruvit Compliance Department to ensure that his or her testimonial or image and likeness will not be used in any corporate materials, corporate recognition pieces, advertising or recordings of annual events.

#### 14.7 Telemarketing - Limitations

- (a) A Pruvit Promoter must not engage in telemarketing in relation to the operation of the Promoter's Pruvit business. The term "telemarketing" means the placing of one or more telephone calls or facsimile transmissions to an individual or entity to induce the purchase of Pruvit products or services, or to recruit them for the Pruvit opportunity.
- (b) The federal government administers the Unsolicited Telecommunication Rules and operates a national Do-Not-Call registry that requires businesses to refrain from calling phone numbers listed on the national "Do-Not-Call" list (DNCL) and or people who tell the caller directly not to call/fax in the future.
- (c) While a Promoter may not consider himself or herself a "telemarketer" in the traditional sense, these regulations broadly define the term "telemarketer" and "telemarketing" so that the unintentional action of calling someone whose telephone number is listed on the Federal "Do Not Call" registry could cause the Promoter to violate the law. These regulations must not be taken lightly, as they carry significant penalties.
- (d) "Cold calls" or unsolicited calls/faxes made to prospective Customers or Promoters in order to promote Pruvit products, services or the Pruvit opportunity is considered telemarketing and is prohibited.
- (e) Exceptions to Telemarketing Regulations
- (f) A Pruvit Promoter may place telephone calls or faxes to prospective Customers, or Promoters under the following limited situations:
  - (i) If the Promoter has an established current business relationship with the prospect;
  - (ii) In response to the prospect's personal inquiry or application regarding a product or service offered by the Pruvit Promoter, within 3 months immediately before the date of such a call/fax;
  - (iii) If the Promoter receives written and signed permission from the prospect authorizing the Promoter to call/fax;
  - (iv) If the call/fax is to family members, personal friends, and acquaintances. However, if a Promoter makes a habit of collecting business cards from everyone he/she meets and subsequently calls/faxes them, the federal government may consider this a form of telemarketing that is not subject to this exemption;

- (v) Prüvit Promoters engaged in calling “acquaintances,” must make such calls/faxes on an occasional basis only and not as a routine practice.
- (g) A Promoter shall not use automatic telephone dialing systems in the operation of his or her Prüvit businesses.
- (h) Failure to abide by Prüvit policies or regulations as set forth by the federal government regarding telemarketing may lead to sanctions against the Promoter’s position, up to and including termination of the position.
- (i) By signing the Pruver Agreement, or by accepting commissions, other payments or awards from Prüvit, a Promoter gives permission to Prüvit and other Promoters to contact them as permitted under the Federal Do Not Call regulations.
- (j) In the event a Promoter violates this section, Prüvit reserves the right to institute legal proceedings to obtain monetary or equitable relief.

## **15.0 INTERNATIONAL MARKETING**

### **15.1 International Marketing Policy**

- (a) A Prüvit Promoter is authorized to sell Prüvit products and services, to Customers and Promoters only in the countries in which Prüvit is authorized to conduct business, according to the Policies and Procedures of each country. Prüvit Promoters may not sell products or services in any country where Prüvit products and services have not received applicable government authorization or approval.
- (b) A Promoter may not, in any unauthorized country, conduct sales, enrollment or training meetings, enroll or attempt to enroll potential Customers, or Promoters, nor conduct any other activity for the purpose of selling Prüvit products and services, establishing a sales organization, or promoting the Prüvit business opportunity.

## **16.0 PRUVIT GLOSSARY OF TERMS**

**ACTIVE PROMOTER:** A Promoter who is in good standing with respect to the Agreement and who satisfies the minimum sales volume requirements, as set forth in the Compensation Plan, to ensure that they are eligible to receive bonuses and commissions.

**AGREEMENT:** The contract between Prüvit and each Prüvit Promoter and Customer; includes the Pruver Agreement, the Prüvit Policies and Procedures, and the Prüvit Compensation Plan, all in their current form and as amended by Prüvit in its sole discretion in accordance with the terms hereof. These documents are collectively referred to as the “Agreement.”

**CANCEL:** The termination of a Promoter’s business. Cancellation may be either voluntary, involuntary, or through non-renewal.



**COMPENSATION PLAN:** The guidelines and referenced literature for describing how Promoters can generate commissions and bonuses.

**CUSTOMER:** A Customer who purchases Prüvit products and does not engage in building a business or retailing product.

**PROMOTER:** A Promoter who enrolls a Customer, Retailer, or another Promoter into the Company, and is listed as the Sponsor on the Pruver Agreement. The act of enrolling others and training them to become Promoters is called "Sponsoring."

**\*Note: Any reference to "personally enrolling/sponsoring" herein is simply descriptive of the method of building a community of Promoters, ie. personally enrolling other participants into the Plan. The phrase is not intended to imply any connection between the simple act of recruitment, sponsorship, or enrollment, and payment of compensation.**

**PROMOTER'S/PRUVER'S WALLET:** Is a secure site that manages Pruver's commissions.

**SPONSOR\*:** A Promoter who enrolls a Customer, Retailer, or another Promoter into the Company, and is listed as the Sponsor on the Pruver Agreement. The act of enrolling others and training them to become Promoters is called "sponsoring."

**\*Note: Any reference to "personally enrolling/sponsoring" herein is simply descriptive of the method of building a community of Promoters, ie. personally enrolling other participants into the Plan. The phrase is not intended to imply any connection between the simple act of recruitment, sponsorship, or enrollment, and payment of compensation.**

**PRUVER:** An individual or entity who actively promotes, markets and sells Prüvit products for profit and who actively seeks and recruits others to do the same in accordance with the Agreement.

**LINE OF SPONSORSHIP (LOS):** A report generated by Prüvit that provides critical data relating to the identities of Promoters, sales information, and enrollment activity of each Promoter's organization. This report contains confidential and trade secret information which is proprietary to Prüvit.

**ORGANIZATION:** The Customers and Promoter placed below a particular Promoter.

**OFFICIAL PRUVIT MATERIAL:** Literature, audio or video tapes, and/or any other materials developed, printed, published, or distributed by Prüvit to Promoter and Customers.

**PLACEMENT:** Your position inside your Sponsor's organization.

**RECRUIT:** For purposes of the Agreement, the term "Recruit" means the actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Prüvit Promoter or Customer to enroll or participate in another multilevel marketing, network marketing, or direct sales opportunity.

**RESALABLE:** Products shall be deemed "resalable" if each of the following elements



is satisfied: 1) they are unopened and unused, 2) original packaging and labelling has not been altered or damaged, 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price, and 4) the product contains current Prüvit labelling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

**UPLINE:** This term refers to the Promoter or Promoters above a particular Prüvit Promoter or Sponsor in a sponsorship line up to the Company. It is the line of sponsors that links any particular Promoter to the Company.