

# **MWR LIFE POLICIES AND PROCEDURES**

*Effective June 1, 2022*

## **SECTION 1 – INTRODUCTION**

- 1.1 CODE OF ETHICS
- 1.2 POLICIES INCORPORATED INTO INDEPENDENT LIFESTYLE AMBASSADOR AGREEMENT
- 1.3 CHANGES TO THE INDEPENDENT LIFESTYLE AMBASSADOR AGREEMENT, POLICIES & PROCEDURES, OR COMPENSATION PLAN
- 1.4 DELAYS
- 1.5 POLICIES AND PROVISIONS SEVERABLE
- 1.6 WAIVER

## **SECTION 2 – BECOMING AN INDEPENDENT LIFESTYLE AMBASSADOR**

- 2.1 REQUIREMENTS TO BECOME AN INDEPENDENT LIFESTYLE AMBASSADOR
- 2.2 NEW INDEPENDENT LIFESTYLE AMBASSADOR REGISTRATION BY INTERNET OR FACSIMILE
- 2.3 INDEPENDENT LIFESTYLE AMBASSADOR BENEFITS
- 2.4 TERM AND RENEWAL OF AN MWR LIFE BUSINESS

## **SECTION 3 – INCOME DISCLOSURE POLICY**

## **SECTION 4 – ADVERTISING**

- 4.1 ADHERENCE TO THE MWR LIFE COMPENSATION PLAN
- 4.2 USE OF SALES AID
- 4.3 INTELLECTUAL PROPERTY
- 4.4 WEB POLICY
- 4.5 ADVERTISED PRICE
- 4.6 GENERIC BUSINESS ADVERTISEMENTS
- 4.7 MEDIA AND MEDIA INQUIRIES
- 4.8 UNSOLICITED EMAIL AND FAX COMMUNICATION

## **SECTION 5 – OPERATING AN MWR LIFE BUSINESS**

- 5.1 BUSINESS ENTITIES
  - 5.1.1 Changes to a Business Entity
  - 5.1.2 Change of Sponsor
- 5.2 UNAUTHORIZED CLAIMS AND ACTION
  - 5.2.1 Indemnification
  - 5.2.2 Endorsement of MWR Life Services
- 5.3 CONFLICTS
  - 5.3.1 Non-Solicitations
  - 5.3.2 Sale of Competing Goods or Services
  - 5.3.3 Targeting Other Direct Sellers
  - 5.3.4 Privacy and Confidentiality
  - 5.3.5 The Data Management Rule
- 5.4 CROSS SPONSORING
- 5.5 GOVERNMENTAL APPROVAL OR ENDORSEMENT
- 5.6 IDENTIFICATION
- 5.7 INCOME TAXES

- 5.8 INDEPENDENT CONTRACTOR STATUS
- 5.9 BONUS BUYING
- 5.10 STACKING
- 5.11 ONE MWR LIFE BUSINESS PER INDEPENDENT LIFESTYLE AMBASSADOR
- 5.12 SUCCESSION
- 5.13 SALE, TRANSFER, OR ASSIGNMENT OF AN MWR LIFE BUSINESS
- 5.14 SEPARATION OF AN MWR LIFE BUSINESS
- 5.15 SPONSORING
- 5.16 CUSTOMERS THAT BECOME INDEPENDENT LIFESTYLE AMBASSADORS
- 5.17 RECOGNITION

## **SECTION 6 – RESPONSIBILITIES OF INDEPENDENT LIFESTYLE AMBASSADORS**

- 6.1 CHANGE OF ADDRESS, TELEPHONE, EMAIL ADDRESS
- 6.2 SPONSORING INDEPENDENT LIFESTYLE AMBASSADOR RESPONSIBILITIES
  - 6.2.1 Initial Training
  - 6.2.2 Ongoing Training Responsibilities
- 6.3 NON-DISPARAGEMENT
- 6.4 REPORTING POLICY VIOLATIONS

## **SECTION 7 – BILLING**

- 7.1 BILLING
- 7.2 CURRENCY

## **SECTION 8 – COMMISSIONS**

- 8.1 COMMISSION QUALIFICATIONS
- 8.2 BONUS BUYING PROHIBITED
- 8.3 ADMINISTRATION FEES
- 8.4 COMMISSION PAYMENT DELAY

## **SECTION 9 – DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS**

- 9.1 DISCIPLINARY SANCTIONS
- 9.2 MEDIATION
- 9.3 ARBITRATION
- 9.4 GOVERNING LAW, JURISDICTION, AND VENUE

## **SECTION 10 – EFFECT OF CANCELLATION**

- 10.1 EFFECT OF CANCELLATION AND TERMINATION
- 10.2 NON-RENEWAL

## **SECTION 11 – DEFINITIONS**

**MWR LIFE**  
**STATEMENT OF POLICIES AND PROCEDURES**  
**Effective April 1, 2021**

**SECTION 1 – INTRODUCTION**

**1.1 - Code of Ethics**

MWR Marketing, S.A. (hereafter “MWR Life” or “the Company”) is a values-based company that prides itself on the quality and character of its Independent Lifestyle Ambassadors. The following guidelines help ensure a uniform standard of excellence throughout our organization. Every MWR Life Independent Lifestyle Ambassador is expected to practice the following ethical behavior when acting in the name of the company:

- A. I will be respectful of every person I meet while doing MWR Life related business.
- B. At all times I will conduct myself and my business in an ethical, moral, legal, and financially sound manner.
- C. I will not engage in activities that would bring disrepute to MWR Life, and MWR Life corporate officer or employee, myself, or other Independent Lifestyle Ambassadors.
- D. I will not make discouraging or disparaging claims toward other MWR Life Independent Lifestyle Ambassadors. I will ensure that in all MWR Life business dealings I will refrain from engaging in negative language. I will refrain from making any type of slanderous statements.
- E. I will provide support and encouragement to my Customers to ensure that their experience with MWR Life is a successful one. I understand that it is important to provide follow-up service and support to my downline.
- F. I will correctly represent all the bonus/compensation plans available through MWR Life and the income potential represented therein. I understand I may not use my own income as an indication of others’ potential success, or use compensation checks as marketing materials. I further understand that I may only disclose MWR Life income to recruit a potential Independent Lifestyle Ambassador(s) after I have given a copy of the Income Disclosure Statement to the potential Independent Lifestyle Ambassador(s).
- G. I will abide by all of MWR Life’s Policies & Procedures now and as they may be amended in the future.

**1.2 - Policies Incorporated Into Independent Lifestyle Ambassador Agreement**

These Policies and Procedures (“Policies”), in their present form and as amended at the sole discretion of MWR Life, are incorporated into, and form an integral part of, the MWR Life Independent Lifestyle Ambassador Agreement (hereafter “Independent Lifestyle Ambassador Agreement”). Throughout these Policies, when the term “Agreement” is used, it collectively refers to the MWR Life Independent Lifestyle Ambassador Agreement, these Policies, and the MWR Life Compensation Plan. These documents are incorporated by reference into the Independent Lifestyle Ambassador Agreement (all in their current form and as amended by MWR Life). It is the responsibility of each Independent Lifestyle Ambassador to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies. When sponsoring a new Independent Lifestyle Ambassador, it is the responsibility of the sponsoring Independent Lifestyle Ambassador to provide the most current version of these Policies and Procedures prior to his or her execution of the Independent Lifestyle Ambassador Agreement.

### **1.3 - Changes to the Independent Lifestyle Ambassador Agreement, Policies and Procedures, or Compensation Plan**

Because federal, state, and local laws, as well as the business environment, periodically change, MWR Life reserves the right to amend the Agreement and the prices of its MWR Life Services in its sole and absolute discretion. Notification of amendments shall appear in Official MWR Life Materials. Amendments shall be effective upon publication in Official MWR Life Materials, including but not limited to, posting on MWR Life's website, e-mail distribution, publication in MWR Life'S newsletter, product inserts, or any other commercially reasonable method. The continuation of an Independent Lifestyle Ambassador's MWR Life business or an Independent Lifestyle Ambassador's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

### **1.4 - Delays**

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

### **1.5 - Policies and Provisions Severable**

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid, or unenforceable provision never comprised a part of the Agreement.

### **1.6 - Waiver**

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of MWR Life to exercise any right or power under the Agreement or to insist upon strict compliance by an Independent Lifestyle Ambassador with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of MWR Life' right to demand exact compliance with the Agreement. Waiver by MWR Life can be effectuated only in writing by an authorized officer of the Company.

## **SECTION 2 – BECOMING AN INDEPENDENT LIFESTYLE AMBASSADOR**

### **2.1 - Requirements to Become an Independent Lifestyle Ambassador**

To become a MWR Life Independent Lifestyle Ambassador, each applicant must:

- A. Be of the age of majority in his or her jurisdiction;
- B. Reside in countries which have been officially opened by MWR Life;
- C. Have a valid Tax Identification Number;
- D. Submit a properly completed and signed Independent Lifestyle Ambassador Agreement to MWR Life via electronically or fax.

## **2.2 - New Independent Lifestyle Ambassador Registration by the Internet and Facsimile**

A prospective Independent Lifestyle Ambassador may self-enroll on the sponsor's web site. In such event, instead of a physically signed Independent Lifestyle Ambassador agreement, MWR Life will accept the agreement by accepting the "electronic signature" stating the new Independent Lifestyle Ambassador has accepted the terms and conditions of the Independent Lifestyle Ambassador Agreement. Please note that such electronic signature constitutes a legally binding agreement between the Independent Lifestyle Ambassador and MWR Life. Faxed agreements must include both the front and back of the Independent Lifestyle Ambassador Agreement.

## **2.3 - Independent Lifestyle Ambassador Benefits**

Once an Independent Lifestyle Ambassador Agreement has been accepted by MWR Life, the benefits of the Compensation Plan and the Independent Lifestyle Ambassador Agreement are available to the new Independent Lifestyle Ambassador. These benefits include the right to:

- A. Sell MWR Life services;
- B. Participate in the MWR Life Compensation Plan (receive bonuses and commissions, if eligible);
- C. Sponsor other individuals as customers or Independent Lifestyle Ambassadors into the MWR Life business and thereby build an organization and progress through the MWR Life Compensation Plan;
- D. Receive periodic MWR Life literature and other MWR Life communications;
- E. Participate in MWR Life-sponsored support service training, motivational and recognition functions; and
- F. Participate in promotional and incentive contests and programs sponsored by MWR Life for its Independent Lifestyle Ambassadors.

## **2.4 - Terms and Renewal of an MWR Life Business**

An Independent Lifestyle Ambassador must be current on their Biz Center fee. If the Independent Lifestyle Ambassador allows his or her business to expire due to nonpayment of the renewal fee, the Independent Lifestyle Ambassador will lose any and all rights to his or her downline organization unless the Independent Lifestyle Ambassador re-activates within 60 days following the expiration of the agreement.

If the former Independent Lifestyle Ambassador re-activates within the 60-day time limit, the Independent Lifestyle Ambassador will resume the rank and position held immediately prior to the expiration of the Independent Lifestyle Ambassador agreement.

Any Independent Lifestyle Ambassador whose agreement has expired and lapsed the 60-day grace period may not be eligible to re-apply for an MWR Life business for 6 months following the expiration of the Independent Lifestyle Ambassador agreement. Any Independent Lifestyle Ambassador terminated by MWR Life may not re-apply to do business for 12 months from their termination date.

## **SECTION 3 – INCOME DISCLOSURE POLICY**

In an effort to conduct best business practices, MWR Life has developed the Income Disclosure Statement ("IDS"). The MWR Life IDS is designed to convey truthful, timely, and comprehensive information regarding the income that MWR Life Independent Lifestyle Ambassadors earn. In order to accomplish this objective, a

copy of the IDS must be presented to all prospective Independent Lifestyle Ambassadors.

A copy of the IDS must be presented to a prospective Independent Lifestyle Ambassador (someone who is not a party to a current MWR Life Independent Lifestyle Ambassador Agreement) anytime the Compensation Plan is presented or discussed, or any type of income claim or earnings representation is made.

The terms “income claim” and/or “earnings representation” (collectively “income claim”) include: (1) statements of average earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of “statements of non-average earnings” include, “Our number one Independent Lifestyle Ambassador earned over a million dollars last year” or “Our average ranking Independent Lifestyle Ambassador makes five thousand per month.” An example of a “statement of earnings ranges” is “The monthly income for our higher ranking Independent Lifestyle Ambassadors is ten thousand dollars on the low end to thirty thousand dollars a month on the high end.”

In any meeting that is open to the public in which the Compensation Plan is discussed or any type of income claim is made, you must provide every prospective Independent Lifestyle Ambassador with a copy of the IDS. Copies of the IDS may be printed or downloaded without charge from the company website at [www.mwrlife.com/home/IDS](http://www.mwrlife.com/home/IDS).

## **SECTION 4 – ADVERTISING**

### **4.1 - Adherence to the MWR Life Compensation Plan**

Independent Lifestyle Ambassadors must adhere to the terms of the MWR Life Compensation Plan as set forth in Official MWR Life Materials. Independent Lifestyle Ambassadors shall not offer the MWR Life opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically stated in Official MWR Life Materials. Independent Lifestyle Ambassadors shall not require or encourage other current or prospective customers or Independent Lifestyle Ambassadors to participate in MWR Life in any manner that varies from the program as set forth in Official MWR Life Materials. Independent Lifestyle Ambassadors shall not require or encourage other current or prospective customers or Independent Lifestyle Ambassadors to execute any agreement or contract other than official MWR Life agreements and contracts in order to become an MWR Life Independent Lifestyle Ambassador. Similarly, Independent Lifestyle Ambassadors shall not require or encourage other current or prospective customers or Independent Lifestyle Ambassadors to make any purchase from, or payment to, any individual or other entity to participate in the MWR Life Compensation Plan other than those purchases or payments identified as recommended or required in Official MWR Life Materials.

### **4.2 - Use of Sales Aids**

To promote both the services and the opportunity MWR Life offers, Independent Lifestyle Ambassadors must use the sales aids and support materials produced by MWR Life. If MWR Life Independent Lifestyle Ambassadors develop their own sales aids and promotional materials (which includes Internet advertising), notwithstanding Independent Lifestyle Ambassadors’ good intentions, they may unintentionally violate any number of statutes or regulations affecting an MWR Life business. These violations, although they may be relatively few in number, could jeopardize the MWR Life opportunity for all Independent Lifestyle Ambassadors. Accordingly, Independent Lifestyle Ambassadors must submit all written sales aids, promotional materials, advertisements, websites and other literature to the Company for Company’s approval prior to use. Unless the Independent Lifestyle Ambassador receives specific written approval to use the material, the request

shall be deemed denied. All Independent Lifestyle Ambassadors shall safeguard and promote the good reputation of MWR Life and service plans provided by its preferred partners. The marketing and promotion of MWR Life, the MWR Life opportunity, the Compensation Plan, and MWR Life services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

### **4.3 - Intellectual Property**

MWR Life will not allow the use of its trade names, trademarks, designs, or symbols outside of corporate produced and approved sales aids by any person, including MWR Life Independent Lifestyle Ambassadors, without prior written authorization from MWR Life. Furthermore, no Independent Lifestyle Ambassador may use, publish, reproduce, advertise, sell, or display in any manner the name, picture or likeness, or voice of another Independent Lifestyle Ambassador without prior written consent from the named Independent Lifestyle Ambassador. This consent must be on file with MWR Life' Compliance department prior to any use.

### **4.4 - Web Policy**

If an Independent Lifestyle Ambassador desires to utilize an Internet web page to promote his or her business, he or she may do so through Company authorized services only.

#### **A. General**

It is your obligation to ensure your online marketing activities are truthful, are not deceptive and do not mislead customers or potential Independent Lifestyle Ambassadors in any way. Websites and web promotion activities and tactics that mislead or are deceptive, regardless of intent, will not be allowed. This may include representation in any manner that you are an authorized representative for MWR Life, spam linking (or blog spam), unethical search engine optimization (SEO) tactics, misleading click-through ads (i.e., having the display URL of a PPC campaign appear to resolve to an official MWR Life Corporate Site when it goes elsewhere), unapproved banner ads, and unauthorized press releases. MWR Life will be the sole determinant of truthfulness as to whether specific activities are misleading or deceptive.

#### **B. Domain Names, Email Addresses and Online Aliases**

You cannot use or register domain names, email addresses, and/or online aliases that could cause confusion, or be misleading or deceptive, in that they cause individuals to believe or assume the communication is from, or is the property of MWR Life by showing up as the sender of an email.

Examples of the improper use include but are not limited to: mwrlife@msn.com; www.mwrlifedirect.com; www.mwrlifedirect.com; www.mwrlifejoin.com; www.myspace.com/mwrlife; www.mwrlifepresident.com, or derivatives as described herein.

Examples of permitted URLs, email addresses, and online aliases might appear as follows: myspace.com/iloveMWRlife; johnsmith.com/mwrlife, etc.

Determinations as to what could cause confusion, mislead or be considered deceptive is at the sole discretion of MWR Life. If you have a question whether your chosen name is acceptable, you may submit it to compliance@mwrlife.com for review before use.

### C. Approved Independent Lifestyle Ambassador Websites

The term *Independent Lifestyle Ambassador Website* refers to the Independent Lifestyle Ambassador website offered by MWR Life or an approved vendor to Independent Lifestyle Ambassadors. The term *Social Media website* refers to any site that is not specifically prohibited within the terms and conditions of this Agreement, such as Facebook.com, MySpace.com, Twitter.com, YouTube.com, personal blogs or other personal websites.

### D. Online Classifieds

You may not use online classifieds (including Craigslist) to list, sell or promote specific MWR Life services. You may use online classifieds (including Craigslist) for prospecting, recruiting, sponsoring, and informing the public about the MWR Life opportunity provided you follow the other requirements of this agreement such as identifying yourself as an independent representative of MWR Life, only using approved images and versions of any trademarked logos and without using fraudulent or misleading product or income claims. If a link or URL is provided, it must link to your Independent Lifestyle Ambassador Website or your Social Media website.

### E. Online Retailing

Approved Independent Lifestyle Ambassador websites are intended to provide the Independent Lifestyle Ambassadors with the tools and means for generating leads, prospecting business, communicating with others, selling products and services, and otherwise advancing your MWR Life business. You may not sell MWR Life services on any other online retail store or e-commerce site, nor may you enlist or knowingly allow a third party (customer) to sell MWR Life products on any online retail store or ecommerce site.

Social Media sites such as Facebook may also be used to promote your MWR Life business. You must provide approved MWR Life links to your Independent Lifestyle Ambassador replicated website for sales and order processing. All online sales of MWR Life products must take place and be produced through the Independent Lifestyle Ambassador Replicated website (or corporate site).

### F. Banner Advertising

You may place banner advertisements on a website provided you use MWR Life-approved templates and images. All banner advertisements must link to your Independent Lifestyle Ambassador Website. You may not use *blind* ads or web pages that make non-compliant product or income claims that are ultimately associated with MWR Life products or the MWR Life business opportunity.

### G. Spam Linking

Spam linking is defined as multiple consecutive submissions of the same or similar content into blogs, wikis, guest books, websites or other publicly accessible online discussion boards or forums and is not allowed. This includes blog spamming, blog comment spamming and/or spamdexing. Any comments you make on blogs, forums, guest books etc. must be unique, informative and relevant.



## H. Social Networking Sites

Network Marketing companies are built on a foundation of building relationships through person to person contact. Social networking websites, such as Facebook, Google +, Twitter and LinkedIn, are natural extensions of this foundation. Social networking websites can provide useful tools for a Lifestyle Ambassador to build and maintain contacts.

You may advertise your MWR Life business on your social networking website if the advertisement is limited to the social networking sharable content provided by MWR Life, posting a video link, flyer, or other approved marketing tool found by clicking on the Marketing tab in the Lifestyle Ambassador Back Office, or by posting material approved by the Compliance Department. While you are encouraged to advertise MWR Life on your social networking website, you may not use MWR Life or a confusingly similar name as your account name, group name, page name, discussion name, or other social networking presence, and may not use the MWR Life logo, the MWR Life 'Shield', or a MWR Life service picture as your profile picture.

If you use a social networking website to market MWR Life, you must identify yourself as a MWR Life Independent Lifestyle Ambassador and not represent yourself as an official representative or employee of MWR Life. If you participate in any network marketing company other than MWR Life, you may not advertise both MWR Life and the other network marketing opportunity on the same social networking profile. MWR Life considers advertising other network marketing opportunities to your network of MWR Life contacts contained in a list of social networking contacts to constitute improper solicitation and cross-sponsoring. MWR Life maintains its own social networking profiles that permit our Lifestyle Ambassadors to join pages created by MWR Life Corporate to effectively communicate with the MWR Life Community. You may not, however, create your own groups and pages using the MWR Life name, trademarks, logos or brands.

If you compliance has not been met above, you agree that you will immediately take down a non-compliant site at the request of «Company\_name». Appeals regarding compliance may be submitted after the site has been taken down. Appeals should be directed to the email address [compliance@mwrlife.com](mailto:compliance@mwrlife.com).

## I. YouTube and Other Video Hosting Websites

MWR Life maintains an Official MWR Life Account on YouTube at [www.YouTube.com/c/mwrlifeofficial](http://www.YouTube.com/c/mwrlifeofficial) to help our Lifestyle Ambassadors disseminate the official videos we produce. These videos may also be found by clicking on Opportunity or Services of your MWR Life provided website or obtained in your back office business center for downloading individually on your computer (when you do not have Internet Access). We encourage you to link to or embed the YouTube videos on your own Independent Website or social networking pages. You may only use the Corporate Approved YouTube videos in their original form and may not alter them in any way. Lifestyle Ambassadors may upload Corporate Approved videos produced by MWR Life on social platforms or Independent Websites provided that your website has been pre-approved by the Compliance Dept. Directing a prospective lead to a website with one of our videos can be an effective tool for you to begin a discussion about the MWR Life services and the MWR Life business opportunity. You may not create your own accounts on YouTube and other video hosting websites to post MWR Life Corporate Approved videos. MWR Life has ensured that videos are available in many locations, which allows MWR Life to keep the most recent and effective videos available for all of our Lifestyle Ambassadors. If you create your own MWR Life

video, including a video testimonial, you must receive written approval from the Compliance Department prior to distributing the video.

#### J. Sponsored Links / Pay-Per-Click (PPC) Ads

Sponsored links or pay-per-click ads (PPC) are acceptable. The destination URL must be to your Independent Lifestyle Ambassador Website. The display URL must also be to your Independent Lifestyle Ambassador Website and must not portray any URL that could lead the user to assume they are being led to an MWR Life Corporate site, or be inappropriate or misleading in any way.

#### K. External Websites

You are allowed external websites to promote your MWR Life business and the MWR Life opportunity. If you wish to use an external website you must do the following:

- a.) Identify yourself as an Independent Lifestyle Ambassador for MWR Life.
- b.) Use only the approved images and wording authorized by MWR Life.
- c.) Adhere to the branding, trademark, and image usage policies described in this document.
- d.) Agree to modify your website to comply with current or future MWR Life policies.

You are solely responsible and liable for your own website content, messaging, claims, and information and must ensure your website appropriately represents and enhances the MWR Life brand and adheres to all MWR Life guidelines and policies. Additionally, your website must not contain disingenuous popup ads or promotions or malicious code. Decisions and corrective actions in this area are at MWR Life sole discretion. You are encouraged to use the approved MWR Life images that are available through the business suite.

#### L. MWR Life Independent Lifestyle Ambassador Image Mandate

When using a Social Media or external website it must contain:

- a.) An MWR Life Independent Lifestyle Ambassador Logo from the approved templates.
- b.) Your Name and Title (example: Joan Arc, Independent Lifestyle Ambassador, MWR Life).
- c.) A link to your Independent Lifestyle Ambassador Replicated website.

Although MWR Life brand themes and images are desirable for consistency, anyone landing on your page needs to clearly understand that they are at an Independent Lifestyle Ambassador site, and not an MWR Life Corporate page.

### **4.6 - Advertised Price**

You may not advertise any of MWR Life's services at a price LESS than the highest company published price of the equivalent service. No special enticement advertising is allowed. This includes but is not limited to offers of free membership or other such offers that grant advantages beyond those available through the Company.

### **4.7 - Generic Business Advertisements**

If you advertise via newspaper or other advertising venues, the following rules apply:

- A. No advertisement may imply that a job, position, salary, or any type of employment is allowed.
- B. No advertisement may promote, represent, or imply salaried positions, management positions, hourly wages, full or part-time employment, or guaranteed incomes. The MWR Life opportunity is not a job, and may not be presented as such. Terms such as “manager trainee,” “management positions available,” “travel provided,” “call for interview,” “positions available,” “now hiring,” and other misleading statements are not allowed.
- C. No specific income can be promised or implied, and any references to compensation must use the word “commissions” to indicate the independent contractor status of Independent Lifestyle Ambassadors.
- D. Advertisements may not contain references to MWR Life or its services and may not use any of MWR Life’s trademarks or trade-names.

Any requests for variances from the above rules must be submitted to MWR Life and approved in writing prior to publication. Please direct any inquiries to [compliance@mwrlife.com](mailto:compliance@mwrlife.com), or by fax to the attention of the Compliance department at (888) 536-9825.

#### **4.8 - Media and Media Inquiries**

Independent Lifestyle Ambassadors must not initiate any interaction with the media or attempt to respond to media inquiries regarding MWR Life, its services, or their independent MWR Life business. All inquiries by any type of media must be immediately referred to MWR Life’s Compliance department. This policy is designed to ensure that accurate and consistent information is provided to the public, as well as a proper public image.

#### **4.9 - Unsolicited Email and Fax Communication**

MWR Life does not permit Independent Lifestyle Ambassadors to send unsolicited emails unless such emails strictly comply with applicable laws and regulations, including, without limitation, the federal CAN SPAM Act. Any email sent by an Independent Lifestyle Ambassador that promotes MWR Life, the MWR Life opportunity, or MWR Life services, must comply with the following:

- A. There must be a functioning return email address to the sender.
- B. There must be a notice in the email that advises the recipient that they may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning “opt-out” notice).
- C. The email must include the Independent Lifestyle Ambassador’s physical mailing address.
- D. The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- E. The use of deceptive subject lines and/or false header information is prohibited.
- F. All opt-out requests, whether received by email or regular mail, must be honoured. If an Independent Lifestyle Ambassador receives an opt-out request from a recipient of an email, the Independent Lifestyle Ambassador must forward the opt-out request to the Company. MWR Life may periodically send commercial emails on behalf of Independent Lifestyle Ambassadors. By entering into the Independent Lifestyle Ambassador Agreement, Independent Lifestyle Ambassador agrees that the Company may send such emails and that the Independent Lifestyle Ambassador’s physical and email addresses will be included in such emails

as outlined above. Independent Lifestyle Ambassadors shall honor opt-out requests generated as a result of such emails sent by the Company. Except as provided in this section, Independent Lifestyle Ambassadors may not use or transmit unsolicited faxes or use an automatic telephone dialling system relative to the operation of their MWR Life businesses.

## **SECTION 5 – OPERATING AN MWR LIFE BUSINESS**

### **5.1 - Business Entities**

A corporation, partnership or trust (collectively referred to in this section as a “Business Entity”) may apply to be an MWR Life Independent Lifestyle Ambassador by submitting an MWR Life Independent Lifestyle Ambassador Application and Agreement along with its Certificate of Incorporation, Articles of Organization, Partnership Agreement or trust documents (these documents are collectively referred to as the “Entity Documents”) to MWR Life. An MWR Life business may change its status under the same Sponsor from an individual to a partnership, corporation or trust, or from one type of entity to another. To do so, the Independent Lifestyle Ambassador(s) must provide the Entity Documents to MWR Life. The Independent Lifestyle Ambassador Application must be signed by all of the shareholders, partners or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to MWR Life.

#### **5.1.1 - Changes to a Business Entity**

Each Independent Lifestyle Ambassador must immediately notify MWR Life of any changes to the type of business entity they utilize in operating their MWR Life business, and the addition or removal of business associates. An MWR Life business may change its status under the same sponsor from an individual to a partnership, corporation or trust, or from one type of entity to another. The Independent Lifestyle Ambassador Agreement form must be signed by all of the shareholders, partners, or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to MWR Life.

#### **5.1.2 - Change Of Sponsor**

To protect the integrity of all marketing organizations and safeguard the hard work of all Independent Lifestyle Ambassadors, MWR Life rarely allows changes in sponsorship. An Independent Lifestyle Ambassador may request a sponsor change by emailing support within fourteen (14) days from the date of enrollment. If a sponsor change request is sent after the allowable period, the Independent Lifestyle Ambassador should remain active under the same sponsor OR request the cancellation of his/ her account and wait six (6) months or more before re-enrolling under a new sponsor.

### **5.2 - Unauthorized Claims and Action**

#### **5.2.1 - Indemnification**

An Independent Lifestyle Ambassador is fully responsible for all of his or her verbal and/or written statements made regarding MWR Life services and the Compensation Plan, which are not expressly contained in Official MWR Life Materials. Independent Lifestyle Ambassadors agree to indemnify MWR Life and hold it harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs or lost business incurred by MWR Life as a result of the Independent Lifestyle Ambassador’s unauthorized representations or actions. This provision shall survive the cancellation of the Independent Lifestyle Ambassador Agreement.

## **5.2.2 - Endorsements of MWR Life Services**

No claims as to any services offered by MWR Life may be made except those contained in Official MWR Life Materials.

## **5.3 - Conflicts**

### **5.3.1 - Non-Solicitations**

During the term of this Agreement, Independent Lifestyle Ambassadors may not directly or indirectly recruit other MWR Life Independent Lifestyle Ambassadors or Customers for any other Network Marketing business. Following the cancellation of an Independent Lifestyle Ambassador Agreement, and for a period of one (1) calendar year thereafter, a former Independent Lifestyle Ambassador may not recruit any MWR Life Independent Lifestyle Ambassador or Customer to another Network Marketing business.

### **5.3.2 - Sale of Competing Goods or Services**

During this agreement and for 6 months thereafter, Independent Lifestyle Ambassadors must not sell, or attempt to sell, any competing non-MWR Life programs. Any program, product, service, or direct selling opportunity in the same generic categories as the MWR Life services are deemed to be competing, regardless of differences in cost, quality or other distinguishing factors. During this agreement, Independent Lifestyle Ambassadors may not publicly engage in another Network Marketing business.

### **5.3.3 - Targeting Other Direct Sellers**

Should Independent Lifestyle Ambassadors engage in solicitation and/or enticement of members of another direct sales company to sell or distribute MWR Life services, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against an Independent Lifestyle Ambassador alleging that they engaged in inappropriate recruiting activity of its sales force or Customers, MWR Life will not pay any of Independent Lifestyle Ambassador's defense costs or legal fees, nor will MWR Life indemnify the Independent Lifestyle Ambassador for any judgment, award, or settlement.

### **5.3.4 - Privacy and Confidentiality**

All Independent Lifestyle Ambassadors are required to abide by the Company's Privacy Policy with regard to Independent Lifestyle Ambassador and customer information.

### **5.3.5 - The Data Management Rule**

The Data Management Rule is intended to protect the Line of Sponsorship (LOS) for the benefit of all Independent Lifestyle Ambassadors, as well as MWR Life. LOS information is information compiled by MWR Life that discloses or relates to all or part of the specific arrangement of sponsorship within the MWR Life business, including, without limitation, Independent Lifestyle Ambassador lists, sponsorship trees, and all Independent Lifestyle Ambassador information generated there from, in its present and future forms. The MWR Life LOS constitutes a commercially advantageous, unique, and proprietary trade secret (Proprietary Information), which it keeps proprietary and confidential and treats as a trade secret. MWR Life is the exclusive owner of all Proprietary Information, which is derived, compiled, configured, and maintained through the expenditure of considerable time, effort, and resources by MWR Life and its Independent Lifestyle Ambassadors. Through this Rule, Independent Lifestyle Ambassadors are granted a personal, non-exclusive,

non-transferable and revocable right by MWR Life to use Proprietary Information only as necessary to facilitate their business as contemplated under these Policies and Procedures. The Company reserves the right to deny or revoke this right, upon reasonable notice to the Independent Lifestyle Ambassador stating the reason(s) for such denial or revocation, whenever, in the reasonable opinion of MWR Life, such is necessary to protect the confidentiality or value of Proprietary Information. All Independent Lifestyle Ambassadors shall maintain Proprietary Information in strictest confidence, and shall take all reasonable steps and appropriate measures to safeguard Proprietary Information and maintain the confidentiality thereof.

#### **5.4 - Cross Sponsoring**

Actual or attempted cross-group sponsoring is strictly prohibited. "Cross-group sponsoring" is defined as the enrollment, indirect or otherwise, of an individual or entity that already has a current customer number or Independent Lifestyle Ambassador Agreement on file with MWR Life, or who has had such an agreement within the preceding six (6) calendar months. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, Federal Tax Identification Numbers or fictitious identification numbers to circumvent this policy is prohibited. This policy shall not prohibit the transfer of an MWR Life business in accordance with the "Sale, Transfer or Assignment of MWR Life Business" section of these Policies and Procedures.

#### **5.5 - Governmental Approval or Endorsement**

Neither federal nor state regulatory agencies nor officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Independent Lifestyle Ambassadors shall not represent or imply that MWR Life or its Compensation Plan have been "approved," "endorsed," or otherwise sanctioned by any government agency.

#### **5.6 - Identification**

All Independent Lifestyle Ambassadors are required to provide their Social Security Number, Federal Employer Identification Number, or their Government Issued ID Number to MWR Life either on the Independent Lifestyle Ambassador Agreement or at the company's request. Upon enrollment, the Company will provide a unique Independent Lifestyle Ambassador Identification Number to the Independent Lifestyle Ambassador by which they will be identified. This number will be used to place orders and track commissions and bonuses.

#### **5.7 - Income Taxes**

Each Independent Lifestyle Ambassador is responsible for paying local, state and federal taxes on any income generated as an Independent Lifestyle Ambassador.

#### **5.8 - Independent Contractor Status**

You are an independent contractor. You are not a representative, employee, partner, or in joint venture with the Company. You may not represent yourself as anything other than an Independent Lifestyle Ambassador. You have no authority to bind MWR Life to any obligation. You are responsible for paying your own self-employment taxes, federal income taxes and other taxes required by law. You must obey any federal, state, and local laws, as well as Company rules and regulations pertaining to your independent MWR Life Business or the acquisition, receipt, holding, selling, distributing or advertising of MWR Life's services or opportunity.

Independent Lifestyle Ambassadors may not answer the telephone by saying “MWR Life,” “MWR Life Incorporated,” or by any other manner that would lead the caller to believe that they have reached MWR Life’s corporate offices. An Independent Lifestyle Ambassador may only represent that he/she is an MWR Life Independent Lifestyle Ambassador. Therefore, all correspondence and business cards relating to or in connection with an Independent Lifestyle Ambassador’s MWR Life business shall contain the Independent Lifestyle Ambassador’s name followed by the term “Independent Lifestyle Ambassador.”

### **5.9 - Bonus Buying**

Subscribing for services solely for the purpose of collecting bonuses or achieving rank is prohibited. All services purchased by Independent Lifestyle Ambassadors must be specifically for personal use.

### **5.10 - Stacking**

Stacking is the unauthorized manipulation of the MWR Life compensation system and/or the marketing plan in order to trigger commissions or cause a promotion of a downline Independent Lifestyle Ambassador in an unearned manner. One example of stacking occurs when a sponsor places participants under an inactive downline participant (who may not know or have any relationship with the clients) in order to trigger unearned qualification for commissioning. Another example of stacking is the manipulative placement of Independent Lifestyle Ambassadors within a downline organization in order to trigger a promotion. 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 Lifestyle Ambassador positions of all individuals found to be directly involved.

### **5.11 - One MWR Life Business per Independent Lifestyle Ambassador**

An Independent Lifestyle Ambassador may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one MWR Life business. No individual may have, operate or receive compensation from more than one MWR Life business. Individuals of the same family unit may each enter into or have an interest in their own separate MWR Life business.

### **5.12 - Succession**

Upon the death or incapacitation of an Independent Lifestyle Ambassador, their business may be passed to a designated heir(s). Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Whenever an MWR Life business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Independent Lifestyle Ambassador’s marketing organization provided the following qualifications are met. The successor(s) must:

- Execute an Independent Lifestyle Ambassador Agreement;
- Comply with terms and provisions of the Agreement;
- Meet all of the qualifications for the deceased Independent Lifestyle Ambassador’s rank/status;
- Provide MWR Life with an “address of record” to which all bonus and commission checks will be sent. Bonus and commission checks of an MWR Life business transferred pursuant to this section will be paid in a single check jointly to the successor(s).

### **5.13 - Sale, Transfer, or Assignment of an MWR Life Business**

Although an MWR Life business is a privately owned, independently operated business, the sale, transfer or assignment of an MWR Life business is subject to certain limitations. If an Independent Lifestyle Ambassador wishes to sell their MWR Life business, the following criteria must be met:

- A. The new owner must be an existing Lifestyle Ambassador, otherwise they will be required to enroll as one;
- B. Protection of the existing line of sponsorship must always be maintained so that the MWR Life business continues to be operated in that line of sponsorship;
- C. There is a \$495 administrative transfer fee;
- D. Before the sale, transfer, or assignment can be finalized and approved by MWR Life, any debt obligations the selling Independent Lifestyle Ambassador has with MWR Life must be satisfied; and
- E. The selling Independent Lifestyle Ambassador must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer, or assign an MWR Life business.

Prior to selling an MWR Life business, the selling Independent Lifestyle Ambassador must notify MWR Life's Compliance department of their intent to sell the MWR Life business. No changes in line of sponsorship can result from the sale or transfer of an MWR Life business. An Independent Lifestyle Ambassador may not sell, transfer, or assign portions of their business—the position must be sold in its entirety.

### **5.14 - Separation of an MWR Life Business**

MWR Life Independent Lifestyle Ambassadors sometimes operate their MWR Life businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership, or trust (the latter three entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other Independent Lifestyle Ambassadors and the Company in a timely fashion, MWR Life will involuntarily terminate the Independent Lifestyle Ambassador Agreement.

During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- A. One of the parties may, with consent of the other(s), operate the MWR Life business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners, or trustees authorize MWR Life to deal directly and solely with the other spouse or non-relinquishing shareholder, partner, or trustee.
- B. The parties may continue to operate the MWR Life business jointly on a "business-as-usual" basis, whereupon all compensation paid by MWR Life will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above. The Company will never remove a party to a position from an Independent Lifestyle Ambassador account without that party's written permission and signature. Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Under no circumstances will MWR Life split commission and bonus checks between divorcing spouses or members of dissolving



entities. MWR Life will recognize only one downline organization and will issue only one commission check per MWR Life business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the Independent Lifestyle Ambassador Agreement shall be involuntarily cancelled.

### **5.15 - Sponsoring**

All Qualified Independent Lifestyle Ambassadors in good standing have the right to sponsor and enroll others into MWR Life. Each prospective customer or Independent Lifestyle Ambassador has the ultimate right to choose his or her own Sponsor. If two Independent Lifestyle Ambassadors claim to be the Sponsor of the same new Independent Lifestyle Ambassador or customer, the Company shall regard the first application received by the Company as controlling.

### **5.16 - Customers That Become Independent Lifestyle Ambassadors**

Existing customers that choose to become Independent Lifestyle Ambassadors may have the option to become their own customer for qualification and commission purposes.

### **5.17 - Recognition**

Lifestyle Ambassadors that qualify for ranks will be recognized on MWR Life's official social media pages, website and other media at the sole discretion of the company and give full permission to the company to do so by virtue of becoming a Lifestyle Ambassador. To be recognized on social media and corporate events, Lifestyle Ambassadors must not only qualify by rank, but maintain a minimum Daily Residual qualification, as follows: Manager and Senior Manager (Silver 1), Area Manager (Silver 2), District manager (Silver 3), Regional Manager (Gold 1), National Manager (Gold 3).

## **SECTION 6 - RESPONSIBILITIES OF INDEPENDENT LIFESTYLE AMBASSADORS**

### **6.1 - Change of Address, Telephone, Email Address**

To ensure timely communications, delivery of support materials and commission checks, it is critically important that the MWR Life's files are current. Independent Lifestyle Ambassadors planning to move or change their email address must submit an amended Independent Lifestyle Ambassador Agreement complete with the new information.

### **6.2 - Sponsoring Independent Lifestyle Ambassador Responsibilities**

#### **6.2.1 - Initial Training**

Any Independent Lifestyle Ambassador who sponsors another Independent Lifestyle Ambassador into MWR Life must perform a bona fide assistance and training function to ensure that their downline is properly operating their MWR Life business. Independent Lifestyle Ambassadors must provide the most current version of the Policies and Procedures, the Income Disclosure Statement, and Compensation Plan to individuals whom they are sponsoring to become Independent Lifestyle Ambassadors before the applicant signs an Independent Lifestyle Ambassador Agreement.

## **6.2.2 - Ongoing Training Responsibilities**

Independent Lifestyle Ambassadors must monitor the Independent Lifestyle Ambassadors in their downline organizations to ensure that downline Independent Lifestyle Ambassadors do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, every Independent Lifestyle Ambassador should be able to provide documented evidence to MWR Life of their ongoing fulfillment of the responsibilities of a Sponsor.

## **6.3 - Non-Disparagement**

Independent Lifestyle Ambassadors must not disparage, demean, or make negative remarks about MWR Life, other MWR Life Independent Lifestyle Ambassadors, MWR Life's services, the Compensation plan, or MWR Life's owners, board members, directors, officers, or employees.

## **6.4 - Reporting Policy Violations**

Independent Lifestyle Ambassadors observing a Policy violation by another Independent Lifestyle Ambassador should submit a written report of the violation directly to the attention of the MWR Life Compliance department, complete with all supporting evidence and pertinent information. It is important to understand that information that is submitted will be kept confidential.

## **SECTION 7 –BILLING**

### **7.1 – Automatic Billing**

Memberships are automatically renewed each month using the payment method on file. If an Independent Lifestyle Ambassador has a pending commission balance, next month fees will be deducted from the pending balance.

### **7.2 – Currency**

MWR Life may bill you in USD, EUR or any other currency depending on various factors, including but not limited to the country or region of the cardholder's bank. Prices will be displayed in one common currency but may be billed in a different currency of equivalent value based on prevailing interbank rates plus up to 3% conversion fees. The cardholder's bank may charge additional fees. MWR Life is not responsible for refunding or compensating the cardholder for such fees.

## **SECTION 8 – COMMISSIONS**

### **8.1 - Commission Qualifications**

In order to qualify to receive commissions as outlined in the MWR Life Compensation Plan, an Independent Lifestyle Ambassador must be Qualified and in good standing and comply with the terms of the Independent Lifestyle Ambassador Agreement and these Policies and Procedures. Earned commissions will be paid when a minimum of \$20 is accumulated. From time to time, MWR Life will run contests and promotions outside of the Compensation Plan. In order to qualify to receive additional contest or promotion related compensation, the Independent Lifestyle Ambassador must be Qualified during the term of the contest or promotion and any Independent Lifestyle Ambassador or Customer requirements necessary to qualify for the additional compensation must be Qualified and/or Active during the duration of any such contest or promotion.

To help Independent Lifestyle Ambassadors maintain their Qualified status, accumulated commissions will be used to pre-purchase monthly membership tokens and the annual business license fee token sixty (60) days from the renewal date. This way, Lifestyle Ambassadors will have one (1) token available for the next month's billing of their membership and one (1) token available for the upcoming annual business license token.

Commission payments will be charged back in the event that a commission triggering event is cancelled within fifteen (15) days of the trigger date, such as the cancellation of a member. If an Independent Lifestyle Ambassador is Unqualified and is a Travel Advantage™ member, positive pending commissions and/or eWallet commission balances will be debited for the purchase of up to two (2) tokens. Commission payments will be nulled if not transferred out of the eWallet within ninety (90) days of payment and/or within three (3) days of payment if an Independent Lifestyle Ambassador Agreement is cancelled. An Independent Lifestyle Ambassador is not required to become a customer but may do so if desired for the purposes of this section.

## **8.2 - Bonus Buying Prohibited**

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 Independent Lifestyle Ambassador Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as an Independent Lifestyle Ambassador or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Independent Lifestyle Ambassadors or Customers ("phantoms"); (d) purchasing MWR Life services on behalf of another Independent Lifestyle Ambassador or Customer, or under another Independent Lifestyle Ambassador's or Customer's ID number, to qualify for commissions or bonuses; (d) enrolling an Independent Lifestyle Ambassador or Customer using your own credit card for the purpose of qualifying for bonuses; (e) enrolling non-arm's length Customers for the purpose of qualifying for bonuses 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 user consumers.

## **8.3 - Administration Fees**

Administration fees of \$1.95 will be deducted from commissions. Returned payments will result in a \$5 return fee to the Independent Lifestyle Ambassador.

## **8.4 - Commission Payment Delay**

MWR Life is not responsible for loss of commissions or delay in payment due to any of the following: (i) the Agreement is not on file with MWR Life or is incomplete, incorrectly filled out or not executed; (ii) improper notification of change of address has occurred; (iii) outdated forms are submitted to MWR Life; or (iv) there are issues in processing customer information.

# **SECTION 9 – DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS**

## **9.1 - Disciplinary Sanctions**

Violation of the Agreement, these Policies and Procedures, violation of any common law duty, including but not limited to any applicable duty of loyalty, any illegal, fraudulent, deceptive, or unethical business conduct, or any act or omission by an Independent Lifestyle Ambassador that, in the sole discretion of the Company, may damage its reputation or goodwill (such damaging act or omission need not be related to the Independent Lifestyle Ambassador's MWR Life business), may result, at MWR Life's discretion, in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring the Independent Lifestyle Ambassador to take immediate corrective measures;
- Imposition of a fine, which may be withheld from bonus and commission checks;
- Loss of rights to one or more bonus and commission checks;
- Withholding from an Independent Lifestyle Ambassador all or part of the Independent Lifestyle Ambassador's bonuses and commissions during the period that MWR Life is investigating any conduct allegedly contrary to the Agreement. If an Independent Lifestyle Ambassador's business is cancelled for disciplinary reasons, the Independent Lifestyle Ambassador will not be entitled to recover any commissions withheld during the investigation period;
- Suspension of the individual's Independent Lifestyle Ambassador Agreement for one or more pay periods;
- Involuntary termination of the offender's Independent Lifestyle Ambassador Agreement;
- Any other measure expressly allowed within any provision of the Agreement or which MWR Life deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Independent Lifestyle Ambassador's policy violation or contractual breach;
- Instituting legal proceedings for monetary and/or equitable relief. Each violation is reviewed on a case-by-case basis, and all disciplinary actions are at the sole discretion of MWR Life.

## **9.2 - Mediation**

Prior to instituting arbitration, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least ten (10) days in advance of the mediation. Each party shall pay its own attorney fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Panama City, Panama, and shall last no more than two (2) business days.

## **9.3 - Arbitration**

**If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by confidential arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.** Independent Lifestyle Ambassadors waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in Panama City, Panama. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected in accordance with the "Panama Arbitration Law". Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement.

**NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE.**

Nothing in these Policies and Procedures shall prevent MWR Life from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect MWR Life's interest prior to, during, or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

**9.4 - Governing Law, Jurisdiction, and Venue**

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Panama City, Panama. The laws of Panama shall govern all other matters relating to or arising from the Agreement.

**SECTION 10 – EFFECT OF CANCELLATION**

**10.1 - Effect of Cancellation and Termination**

So long as an Independent Lifestyle Ambassador remains Qualified and complies with the terms of the Independent Lifestyle Ambassador Agreement and these Policies, MWR Life shall pay commissions to such Independent Lifestyle Ambassador in accordance with the Compensation Plan. An Independent Lifestyle Ambassador's bonuses and commissions constitute the entire consideration for the Independent Lifestyle Ambassador's efforts in generating sales and all activities related to generating sales (including, but not limited to, building a downline organization). Following an Independent Lifestyle Ambassador's non-continuation of his or her Independent Lifestyle Ambassador Agreement, cancellation for inactivity, or voluntary or involuntary cancellation (termination) of his or her Independent Lifestyle Ambassador Agreement (all of these methods are collectively referred to as "Cancellation"), the former Independent Lifestyle Ambassador shall have no right, title, claim or interest to the downline organization which he or she operated, or any commission or bonus from the sales generated by the organization. Independent Lifestyle Ambassadors waive any and all rights, including, but not limited to, property rights, in the downline which they may have had. Following an Independent Lifestyle Ambassador's cancellation of his or her Independent Lifestyle Ambassador Agreement, the former Independent Lifestyle Ambassador shall not hold him or herself out as an MWR Life Independent Lifestyle Ambassador and shall not have the right to sell MWR Life products or services. An Independent Lifestyle Ambassador whose Independent Lifestyle Ambassador Agreement is cancelled shall receive commissions and bonuses only for the last full pay period he or she worked prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

An MWR Life participant has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address, or via email to [support@mwrlife.com](mailto:support@mwrlife.com). Refunds will be issued if the request is received by us within 14 days of the enrollment, or within 3 days of the renewal fee being processed. The email must be sent from the customer's email address on file. If it's a written notice, it must include the Independent Lifestyle Ambassador's signature, printed name, address and email associated with their Independent Lifestyle Ambassador position. Independent Lifestyle Ambassadors that cancel within 30 days of their enrollment agree to waive any commissions that may have been earned.

Cancellations leading to re-enrollments occurring for the sole purpose taking advantage of a new promotion that began after the original enrollment date and time are strictly prohibited. Independent Lifestyle Ambassadors must wait 6 months before being permitted to re-enroll.

## **10.2 - Non-Renewal**

An Independent Lifestyle Ambassador may also voluntarily cancel their Independent Lifestyle Ambassador Agreement by failing to pay the Biz Center fee. Independent Lifestyle Ambassadors have a 60 day grace period to get back into compliance and maintain their Independent Lifestyle Ambassador Agreement for failure to pay the Biz Center fee.

## **SECTION 11 – DEFINITIONS**

**AGREEMENT:** The contract between the Company and each Independent Lifestyle Ambassador; includes the Independent Lifestyle Ambassador Agreement, the MWR Life Policies and Procedures, and the MWR Life Compensation Plan, all in their current form and as amended by MWR Life in its sole discretion. These documents are collectively referred to as the “Agreement.”

**CANCEL:** The termination of an Independent Lifestyle Ambassador’s business. Cancellation may be either voluntary, involuntary, or through non-renewal after sixty (60) days of Inactive status.

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

**CUSTOMER:** A Customer who purchases MWR Life services and does not engage in building a business or selling the service.

**INDEPENDENT LIFESTYLE AMBASSADOR:** An individual who purchases service plans, generates sales and business building commissions.

**LINE OF SPONSORSHIP:** A report generated by MWR Life that provides critical data relating to the identities of Independent Lifestyle Ambassadors, sales information, and enrollment activity of each Independent Lifestyle Ambassador’s organization. This report contains confidential and trade secret information which is proprietary to MWR Life.

**ORGANIZATION:** The Customers and Independent Lifestyle Ambassadors placed below a particular Independent Lifestyle Ambassador.

**RECRUIT:** For purposes of MWR Life’s Conflict of Interest Policy, 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 MWR Life Independent Lifestyle Ambassador or Customer to enroll or participate in another multilevel marketing, network marketing, or direct sales opportunity.

**SPONSOR:** An Independent Lifestyle Ambassador who enrolls a Customer or another Independent Lifestyle Ambassador into the Company, and is listed as the Sponsor on the Independent Lifestyle Ambassador Agreement. The act of enrolling others and training them to become Independent Lifestyle Ambassadors is called “sponsoring.”

**UPLINE:** This term refers to the Independent Lifestyle Ambassador or Independent Lifestyle Ambassadors above a particular Independent Lifestyle Ambassador in a sponsorship line up to the Company. It is the line of sponsors that links any particular Independent Lifestyle Ambassador to the Company.