

Terms & Conditions of Service with Neumi LLC

Neumi™, LLC

Associate Terms & Policies

1. **The Agreement.** The term “Agreement” collectively refers to these Terms and Policies, the Neumi Compensation Plan, the Arbitration & Dispute Resolution Policy, and the Neumi Business Entity Addendum (the Business Entity Addendum is only applicable to Associates who enroll as a business entity, in their current form and as may be changed in the future. Independent Associates shall be referred to herein as “Associates.” Neumi, LLC shall be referred to as “Neumi” or the “Company.” Any promises, representations, offers, or other communications not expressly set forth in the Agreement are of no force or effect.
2. **Adherence to the Agreement.** Associates must comply with the Agreement. If you have not yet reviewed the Terms and Policies at the time you execute this Agreement, they are posted in your Associate BackOffice. You must review the Terms and Policies within five days from the date on which you execute this Agreement. If you do not agree to the Terms and Policies, your sole recourse is to notify the Company and cancel your Neumi Agreement. Failure to cancel constitutes your acceptance of the Terms and Policies. You must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from Neumi.
3. **Amendments to the Agreement.** The Company reserves the right to change the Agreement as reasonably necessary. Changes shall be effective 30 days after notice of the changes and publication of the notice in each Associate’s BackOffice, but changes shall not apply retroactively to conduct that occurred prior to the effective date of the changes. If you do not agree to any changes, your recourse is to cancel your Neumi Agreement.
4. **Associates’ Rights.** Associates for Neumi:
 - a. Have the right to sell, and solicit orders for, Neumi products in accordance with these Terms and Policies. It is within the exclusive right of Neumi to

accept or reject orders submitted by Associates;

b. Have the right to enroll others as Neumi Associates;

c. If qualified, have the right to earn commissions pursuant to the Neumi Compensation Plan.

5. **Independent Contractor Status.** Associates are independent contractors and not employees, partners, legal representatives, or franchisees of Neumi, LLC. Associates are solely responsible for paying all expenses they incur, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other business expenses. **ASSOCIATES SHALL NOT BE TREATED AS A NEUMI EMPLOYEE FOR FEDERAL OR STATE TAX PURPOSES.** Neumi is not responsible for withholding and shall not withhold or deduct FICA, or taxes of any kind from Associates' compensation. Associates are not entitled to workers compensation or unemployment security benefits of any kind from Neumi.
6. **Income Taxes.** As independent contractors, Associates are responsible for paying local, state, and federal taxes on any income generated as a Neumi Associate. Every year, Neumi will provide an IRS Form 1099 NEC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000. To facilitate this reporting, Associates must provide Neumi with their Social Security Number, Employer Identification Number, or Taxpayer Identification Number as appropriate.
7. **Taxpayer Identification Number/IRS Form W-9.** Associates will not be required to provide Neumi with their Taxpayer Identification Numbers (e.g., Social Security Number, Employer Identification Number) upon enrollment and will not be required to provide their Taxpayer Identification Numbers until a) the Associate has earned \$500 in a calendar year; or b) the Associate has purchased \$5,000 in Neumi products in a calendar year. When an Associate has met one of these thresholds, the Associate will be required to submit a properly completed IRS Form W-9 (Request for Taxpayer Identification Number) to the Company. If an Associate fails to provide a properly completed IRS Form W-9 to Neumi when requested, the Associate

will be ineligible to earn more than \$600 from Neumi during a calendar year and will not be able to purchase more than \$5,000 in Neumi products in a calendar year. In that even, any commissions or bonuses will be held until the Associate submits a properly completed Form W-9. Upon submission of the Form W-9, accrued commissions and bonuses will be released to the Associate.

8. **Assignment of Rights and Delegation of Duties.** Associates may not assign any rights under the Agreement without the prior written consent of Neumi, LLC. Any attempt to transfer or assign the Agreement without the express written consent of Neumi renders the Agreement voidable at the option of Neumi and may result in termination of your Neumi business.

If the assets of Neumi, or a controlling ownership interest in Neumi, is transferred to a third party, Neumi may assign its rights and delegate its duties and obligations under the Agreement to such third party as part of the sale or transfer.

9. **Waiver.** Any waiver by either Party of any breach of the Agreement must be in writing and signed by an authorized agent of the Party against which the waiver is asserted. Any waiver of a breach by a Party shall be a one-time waiver only and shall not operate or be construed as a waiver of any subsequent breach.
10. **Waiver of Right of Publicity.** Associates grant Neumi an irrevocable license to reproduce and use their name, photograph, video, personal story, testimonial, and/or likeness in its advertising or promotional materials, including but not limited to use in online forums. Associates waive all claims for remuneration for such use and all rights to inspect or approve all draft, beta, preliminary, and finished material.
11. **Minimum Age.** Persons under age 18 may not be Associates and no Associate shall knowingly recruit or sponsor, or attempt to recruit or sponsor, any person under age 18.
12. **Severance.** If any provision of the Agreement, in its current form or as amended in the future, is held void or unenforceable, only the void or unenforceable portion(s) of the provision shall be severed from the Agreement and the remaining provisions shall remain in effect. The severed provision shall be reformed so that it is in compliance with the

law and reflects the purpose of the original provision as closely as possible. The existence of any claim or cause of action of an Associate against Neumi shall not constitute a defense to Neumi's enforcement of any term or provision of the Agreement.

13. **Term and Renewal of a Neumi Business.** The term of this Agreement is one year (subject to prior cancellation pursuant to the Terms and Policies), and shall automatically renew for additional one year terms upon each anniversary date of the Agreement. Either party to the Agreement may elect not to renew the Agreement by providing the other party with at least 30 days written notice of such intent prior to the annual renewal date. **Neumi reserves the right to terminate all Associate Agreements upon 30 days' notice if the Company elects to: (1) cease business operations; (2) dissolve as a business entity; or (3) terminate distribution of its products and/or services via direct selling channels.**

A participant in this affiliate marketing program has a right to cancel at any time, regardless of reason. Cancellation may be submitted in writing to the company at its principal business address or via the Associate's BackOffice.

14. **Maryland Residents:** A participant may cancel the contract for any reason within 3 months after the date of receipt of goods or services first ordered; upon cancellation, if a request is made the Company shall repurchase the goods; and the repurchase price shall be at least 90% of the original price paid by the participant.
15. **Puerto Rico Residents:** You may cancel this Agreement at any time within 90 days from the date of enrollment, or at any time upon showing the Company's noncompliance with any of the essential obligations of the distribution contract or any act or omission by the Company adversely affecting the interests of the dealer in the development of the market of the properties or services. Your cancellation may be sent to the Company in writing and sent via registered mail. If you cancel under these conditions, the Company shall: (a) Reacquire the total of the products that you purchased from the Company which are in your possession and in good condition at a price of not less than ninety percent (90%) of their original net cost; (b) Return to you not less than ninety percent (90%) of the original net cost of any services that you acquired from the Company; (c) Return

90% of any sum paid by you for the purpose of participating in the business.

16. **General Conduct.** Associates shall safeguard and promote the good reputation of Neumi and its products, and must avoid all illegal, deceptive, misleading, unethical or immoral conduct or practices, and must exhibit high moral character in their personal and professional conduct. Associates shall not engage in any conduct that may damage the Company's goodwill or reputation. While it is impossible to specify all misconduct that would be contrary to this provision (and the following list is not a limitation on the standards of conduct to which Associates must adhere pursuant to this policy), the following standards specifically apply to Associates' activities:

- a. Deceptive conduct is always prohibited. Associates must ensure that their statements are truthful, fair, accurate, and are not misleading;
- b. If an Associate's Neumi business is cancelled for any reason, the Associate must discontinue using the Neumi name, and all other Neumi intellectual property, and all derivatives of such intellectual property, in postings on all Social Media, websites, or other promotional material;
- c. Associates may not represent or imply that any state or federal government official, agency, or body has approved or endorses Neumi, its program, or products;
- d. Associates must not engage in conduct that can reasonably be interpreted as constituting harassment, intimidation, discrimination, abusive, obscene, or humiliating to others;
- e. Associates shall not disclose any customer's or other Associate's, or any prospective customer's or associates, personal information; and
- f. Associates must not engage in any illegal, fraudulent, deceptive, or manipulative conduct in their business or their personal lives that, in the Company's sole

discretion, could damage the Company's reputation or the culture that exists within the field sales force.

17. **Social Media.** In addition to meeting all other requirements specified in these Terms & Policies, should an Associate utilize any form of social media in connection with her Neumi business, including but not limited to blogs, Facebook, Instagram, Twitter, LinkedIn, YouTube, or Pinterest, the Associate agrees to each of the following:

- a. Associates are responsible for the content of all material that they produce and all of their postings on any social media site, as well as all postings on any social media site that they own, operate, or control;
- b. Associates shall not make any social media postings, or link to or from any postings or other material that is sexually explicit, obscene, pornographic, offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, gender, sexual orientation, physical disability, or otherwise), is graphically violent, is solicitous of any unlawful behavior, that engages in personal attacks on any individual, group, or entity, or is in violation of any intellectual property rights of the Company or any third party;
- c. No product sales or enrollments may occur on or through any social media site. To process sales or enrollments, a social media site must link only to the Associate's Neumi replicated website, Neumi's corporate website or an official Neumi corporate social media page;
- d. It is each Associate's responsibility to follow the social media site's terms of use;
- e. Any social media site that is directly or indirectly operated or controlled by an Associate that is used to discuss or promote Neumi's products, or the

Neumi opportunity may not link to any website, social media site, or site of any other nature that promotes the products, services, or business program of any direct selling company other than Neumi;

- f. During the term of this Agreement and for a period of 12 calendar months thereafter, an Associate may not use any social media site on which they discuss or promote, or have discussed or promoted, the Neumi business or Neumi's products to directly or indirectly solicit anyone for another direct selling or network marketing program (collectively, "direct selling"). During the term of the Agreement and for 12 calendar months after the cancellation of an Associate's business for any reason, an Associate shall not take any action on any social media site on which they discuss or present, or have discussed or presented, Neumi's products or the Neumi business that may reasonably be foreseen to draw an inquiry from Neumi's Associates relating to the Associate's other direct selling business activities or products. Violation of this provision shall constitute a violation of the non-solicitation provision in Policy 30;
- g. If an Associate creates a business page, team page, or group page on any social media platform for purposes of promoting the Associate's Neumi business or the promotion of Neumi, its products, or opportunity, the page may not promote or advertise the products or opportunity of any other network marketing business. If the Associate's Neumi business is canceled for any reason or if the Associate becomes inactive, the Associate must immediately deactivate the page;

- h. Associates shall respect the privacy of other social media users. Associates shall not engage in abusive social media practices including but not limited to harvesting or trolling for connections, shaming or bullying others.

18. Associate Web Sites, Mobile Applications, and Collateral Sales

Tools. Associates may create their own websites or mobile applications, and other materials to promote their Neumi business or Neumi's products (Associate-created promotional material shall be collectively referred to as "Tools." Official Neumi supplied replicated websites and mobile apps are the only online forums through which Neumi products may be sold and new Neumi Associate enrollments may be transacted (prohibited online forums include, but are not limited to, Associates' external websites, online auctions and classified listings). Associates who create their own Tools must adhere to each of the following:

- a. Any external website (or mobile app) must be directed to the Associate's replicated website to process sales and/or enrollments;
- b. The Tools must clearly and conspicuously identify the Associate who is using the Tools and must clearly and conspicuously disclose that he/she is a **Neumi Independent Associate, and that the Tools are not Neumi's corporate Tools.**
- c. Upon cancellation of an independent Associate's Neumi Agreement for any reason, the former Associate must immediately discontinue using the Tools and/or making them available to other Associates;
- d. The Tools must exclusively promote Neumi's products and Neumi's opportunity;
- e. Associates who create Tools must make all changes to the Tools or discontinue use of the Tools, as required by the Company; and

f. The Tools must comply with all provisions of these Terms & Policies.

The Company may demand changes be made to Tools, or demand that Tools be discontinued. Associates waive all claims against Neumi, its officers, directors, owners, employees, and agents for damages, expenses, costs, or remuneration of any other nature arising or resulting from, or relating to, changes required by the Company or a requirement that the Tools be discontinued.

Neumi may post Tools in Associates' BackOffices and make them available to all Associates free of charge. Associates waive all claims to remuneration for such use and grant Neumi an irrevocable license to use the Tools and authorizes Neumi to provide the Tools to other Associates free of charge, and further authorizes Neumi Associates to use the Tools at no charge.

19. Minimum Advertised Price. Associates may sell Neumi products at any price they choose. However, Associates may only advertise Neumi merchandise at the suggested retail price specified on the official Neumi price list and may not advertise special incentives to prospective buyers (including but not limited to free shipping). Any advertising or promotional material that can reasonably lead a prospective buyer to believe that an Associate is offering a discounted price or other benefit constitutes a violation of this policy.

20. Trademarks and Copyrights.. The name "Neumi" and other names such as "Swish," "NutriSwish," "Neumi Skin," "Swish 30", "PrimaSkin," and "HydraStat" are proprietary trade names, trademarks and service marks of Neumi. The Company grants Associates a limited license to use its trademarks and trade names in promotional media for so long as the Associate's Agreement is in effect. Upon cancellation of an Associate's Agreement for any reason, the license shall expire, and the Associate shall immediately discontinue all use of the Company's trademarks and trade names.

Except as provided in this policy, under no circumstances may an independent Associate utilize any mark that is confusingly similar to any Neumi mark and Independent Associates may not use any of Neumi's trademarks or trade names (or confusingly similar names) in any email address, website domain name, social media handle, social

media name or address. Notwithstanding this policy, a) Associates may use Neumi's trademarks or trade names in an email address, website domain name, social media handle, or social media name or address as long as the Neumi trademark or trade name is not the first part of the email address, website domain name, social media handle, or social media name or address; and b) independent Associates who post on any social media site must identify him/her self as an Independent Associates for Neumi. For example, proper disclosure is:

John Doe

Neumi Independent Associate/ Member

Neumi commonly puts on live and recorded events as well as webinars and telephone conference calls. During these events Company executives, Associates, and guests appear and speak. The content of such events is copyrighted material that is owned exclusively by the Company. Associates may not record company functions for any reason, whether such an event is live, a webinar, via conference call, or delivered through any other medium.

In addition, Company produced Sales Tools, videos, audios, podcasts, and printed material is also copyrighted. Associates shall not copy any such materials for their personal or business use without the Company's prior written approval.

21. **Sales Outlets.** To support the Company's direct-selling distribution channel and to protect the independent contractor relationship, Associates may not sell Neumi products in any wholesale, warehouse, or discount establishment, or any online auction or buy-sell site (including but not limited to Amazon,eBay, and Walmart) without prior written approval from Neumi. Notwithstanding the foregoing, Associates may display and sell Neumi products at professional trade shows.
22. **Service-Related Establishments.** Associates may promote and sell Neumi products in service-related establishments and membership-based facilities. A service related establishment is one whose primary revenue is earned by providing personal service rather than by selling products. Such establishments include offices of

doctors, dentists and other health professionals; health clubs or fitness centers; beauty salons; and any other business where customer use of the establishment is controlled by membership or appointment. Neumi reserves the right to make the final determination as to whether an establishment is service-related or is a proper place for the sale of its products.

23. **Change Of Sponsor Or Placement.** To protect the integrity of all marketing organizations and safeguard the hard work of all Associates, Neumi strongly discourages changes in sponsorship or placement. Maintaining the integrity of sponsorship is critical for the success of every Associate and marketing organization. Accordingly, the transfer of a Neumi business from one sponsor to another or change in placement is rarely permitted. Requests for change of sponsorship or placement must be submitted in writing to the Compliance Department, and must include the reason for the transfer. Transfers will only be considered in the following circumstances:

- a. **Mis-Sponsorship.** In cases in which the new Associate is sponsored by someone other than the individual he or she was led to believe would be his or her Sponsor, an Associate may request that he or she be transferred to another organization with his or her entire marketing organization intact. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within seven (7) business days from the date of enrollment. The Associate requesting the change has the burden of proving that he or she was placed beneath the wrong sponsor. It is up to Neumi's discretion whether the requested change will be implemented.
- b. **Misplacement.** In those instances in which a new Associate is placed in a location in the unilevel structure that is different than what either the new Associate or his or her Sponsor intended (e.g., the new Associate was intended to be placed on the level 2 but was misplaced on the level 3), the Associate may request that he or she be placed in the correct location. Such a request for transfer pursuant to this policy must be made within three (3)

business days from the date of the first movement. The Associate requesting the change has the burden of proving that he or she was placed in the incorrect location. Neumi will approve or not approve the change at its discretion.

- c. **Upline Approval.** The Associate seeking to transfer submits a properly completed and fully executed Sponsorship Transfer Form which includes the signed approval of all parties whose income will be affected by the transfer. Photocopied or facsimile signatures are not acceptable. The Associate who requests the transfer must submit a fee up to \$150.00 (depending on the complexity of the movement) for administrative charges and data processing. If the transferring associate also wants to move his or her marketing organization, the associate must obtain a properly completed Sponsorship Transfer Form and return it to Neumi with the change fee (up to \$150.00). Downline Associates will not be moved with the transferring Associate unless all of the requirements of this paragraph are met. Transferring Associates must allow thirty (30) days after the receipt of the Sponsorship Transfer Forms by Neumi for processing and verifying change requests. In cases wherein the appropriate sponsorship change procedures have not been followed, and a downline organization has been developed in the second business by an Associate, Neumi reserves the sole and exclusive right to determine the final disposition of the downline organization. Resolving conflicts over the proper placement of a downline that has developed under an organization that has improperly switched sponsors is often extremely difficult. Therefore, **ASSOCIATES WAIVE ANY AND ALL CLAIMS AGAINST NEUMI THAT RELATE TO OR ARISE FROM NEUMI'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT**

HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.

- d. **Cancellation and Re-application.** An Associate may legitimately change organizations by voluntarily canceling his or her Neumi Associate Agreement and remaining inactive for six **(6) full calendar months**. During the six month period of inactivity, the former Associate may not participate in any form of Associate activity including, but not limited to, purchasing Neumi Products for resale, selling Neumi Products, sponsoring other Neumi Associates, attending any Neumi functions, attending any Neumi-related functions sponsored by Neumi Associates, operating or assisting in the operation of an Neumi Associate's Neumi business, performing any activity or function that is normally performed by an Neumi Associate or such Associate's employees, or any other activity that in the sole discretion of the Company constitutes a meaningful promotion of the Neumi business. Following the six month period of inactivity, the former Associate may reapply under a new sponsor. The former Associate's downline will remain in their original line of sponsorship, meaning, he or she will lose all right to his or her former downline organization upon his or her cancellation. **Any attempt to cross recruit may result in disciplinary action.**

- 24. Waiver of Claims - Change of Sponsor or Placement.** In cases wherein an Associate improperly changes his/her Sponsor or Placement, Neumi reserves the sole and exclusive right to determine the final disposition of the downline organization that was developed by the Associate in his/her second line of sponsorship. **ASSOCIATES WAIVE ANY AND ALL CLAIMS AGAINST NEUMI, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM NEUMI'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ASSOCIATE WHO HAS IMPROPERLY CHANGED HIS/HER SPONSOR OR PLACEMENT.**

25. **Line Switching, Cross- Sponsoring and Enticement.** Associates agree that maintaining the integrity of the line of sponsorship in an Associateship organization is fundamental to network marketing. Accordingly, the Associate agrees to not engage in Line Switching, Cross Sponsoring, and/or Enticement.

“Line Switching” means applying for and becoming an Associate

- a. when already an Associate,
- b. when holding a beneficial interest in another Associateship; and/or
- c. when less than six (6) months have passed since having been an Associate or having held a beneficial interest in another Associateship

“Cross-Sponsoring” means the enrollment of another Associate (including an Associate whose Agreement was terminated within the preceding six (6) months or has sponsored or purchased Product in the preceding six (6) months) to a different line of sponsorship.

“Enticement” means soliciting, encouraging, offering benefits, or in any way aiding another Associate to Line Switch and/or Cross-Sponsor.

Associates shall not use a spouse’s or relative’s name, trade names, assumed or fictitious names, legal entities, false government-issued identification numbers, or fictitious ID numbers to circumvent this policy.

Because Line Switching, Cross Sponsoring, and Enticement can be detrimental to everyone involved, any Associate who believes or has reason to believe that another Associate is in violation of this policy has an affirmative obligation to notify Neumi of such violation as soon as reasonably possible.

Should any Associate breach these covenants, Neumi may take any or all of the following actions:

- a. termination of the Associate Agreement of the Associate(s) in breach;

- b. terminate the Associate Agreement(s) of the Associate(s) enrolled as a result of Line Switching. Neumi is under no obligation to do any move(s), and the ultimate disposition of the organization remains within the sole discretion of Neumi.

Associates in violation of this policy waive all claims against Neumi that arise from or relate to the disposition of such Associateships.

26. **Product Claims.** No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any Products offered by Neumi may be made except those contained in official Neumi literature. In particular, no Associate may make any claim that Neumi 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 Neumi policies, but they potentially violate federal and state laws and regulations in any international government where Neumi is open, including the federal Food, Drug, and Cosmetic Act (FD&C Act) and the Federal Trade Commission Act (FTC).

27. **Income Claims.** In their enthusiasm to enroll prospective Associates, some Associates are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new Associates may become disappointed if their results are not as extensive or as rapid as the results others have achieved. The Neumi income potential is great enough to be highly attractive without reporting the earnings of others.

Moreover, the Federal Trade Commission (FTC) and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While Associates may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact Neumi as well as the Associate making the claim unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because Neumi

Associates do not have the data necessary to comply with the legal requirements for making income claims, an Associate, when presenting or discussing the Neumi opportunity or Compensation Plan to a prospective Associate, may not make income projections, income claims, or disclose his or her Neumi income (including the showing of checks, copies of checks, bank statements, or tax records).

In addition, Associates agree that they shall not make “lifestyle” income claims. A lifestyle income claim is a statement or depiction that infers or states that the Associate is able to enjoy a luxurious or successful lifestyle due to the income they earn from their Neumi business. Examples of prohibited lifestyle claims include, but are not limited to, the following types of representations:

- a. That an Associate (or his/her spouse) was able to quit his/her job;
- b. That an Associate was able to replace his/her income from a job;
- c. That an Associate was able to pay for a child’s private school or college education due to his/her Neumi earnings;
- d. That an Associate was able to acquire expensive or luxury material possessions (e.g., homes, cars, jewelry, boats, recreational vehicles, etc.); or
- e. That because of his/her Neumi earnings an Associate was able to travel to exotic or expensive destinations.

28. Compensation Plan and Program Claims. When presenting or discussing the Neumi compensation plan, you must make it clear to prospects that financial success in Neumi requires commitment, effort, and sales skill. Conversely, you must never represent that one can be successful without diligently applying themselves. Examples of misrepresentations in this area include, but are not limited to:

- a. It’s a turnkey system.
- b. The system will do the work for you.
- c. Just get in and your downline will build through spillover.
- d. Just join and I’ll build your downline for you.
- e. The Company does all the work for you.

f. You don't have to sell anything.

g. All you have to do is buy your products every month.

29. **Media Inquiries.** Associates must not interact with the media regarding the Neumi business or products. All inquiries from the media, including radio, television, print, online, or any other medium, shall be directed to Neumi's marketing department.

30. **Non Solicitation.** Neumi Associates are free to participate in other network marketing programs. However, during the term of this Agreement and for one year thereafter with the exception of an Associate's personally sponsored downline Associates, an Associate may not directly or indirectly Recruit other Neumi Associates for any other network marketing business. The term "Recruit" means the direct or indirect, actual or attempted, sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, another Neumi Associate to enroll or participate in another network marketing opportunity. This conduct constitutes Recruiting even if the Associate's actions are in response to an inquiry made by another Associate or customer.

If an Associate is engaged in another network marketing program, it is the responsibility of the Associate to ensure that his or her Neumi business is operated entirely separate and apart from all other businesses and/or Network Marketing programs. To this end, the Associate must not:

- a. Display Neumi promotional material, sales aids, or products with or in the same location as, any non-Neumi promotional material or sales aids, products or services (Pinterest and similar social media sites are exempt from this provision).
- b. Offer the Neumi opportunity, products or services to prospective or existing customers or Associates in conjunction with any non-Neumi program, opportunity or products.

- c. Offer, discuss, or display any non Neumi opportunity, products, services or opportunity at any Neumi-related trunk show, meeting, seminar, convention, webinar, teleconference, or other function.

31. **Confidential Information.** “Confidential Information” includes, but is not limited to, the identities, contact information, and/or sales information relating to Neumi’s Associates and/or customers: (a) that is contained in or derived from any Associates’ respective Associate BackOffice; (b) that is derived from any reports issued by Neumi to Associates to assist them in operating and managing their Neumi business; and/or (c) to which an Associate would not have access or would not have acquired but for his/her affiliation with Neumi. Confidential Information constitutes proprietary business trade secrets belonging exclusively to Neumi and is provided to Associates in strict confidence. Confidential Information shall not be directly or indirectly disclosed to any third party nor used for any purpose other than Associate’s use in building and managing his/her Independent Neumi business.
32. **Handling Personal Information.** If you receive Personal Information from or about prospective Associates or customers, it is your responsibility to maintain its security. You should shred or irreversibly delete the Personal Information of others once you no longer need it. Personal Information is information that identifies, or permits you to contact, an individual. It includes a customer’s, potential customers, Associates and prospective Associates’ name, address, email address, phone number, credit card information, social security or tax identification number and other information associated with these details.
33. **Bonus Buying.** Bonus buying is strictly prohibited. Bonus buying is the purchase of Neumi merchandise for any reason other than bona fide resale or use, or any mechanism or artifice to qualify for rank advancement or maintenance, incentives, prizes, commissions or bonuses that are not driven by bona fide product purchases by end user consumers for actual use.
34. **Limitations on Associate and Household Businesses.** Associates may own, operate, control, or have an interest in, only one Neumi

business, and there may be only one Neumi business in a household. A “household” is defined as spouses or couples, and dependent children of one or both spouses or couples, living in the same home of the spouses or member of the couple, as well as dependent children of either spouse or member of the couple, while attending school away from home.

35. **Stacking.** Stacking is strictly prohibited. The term stacking includes:
(a) the failure to transmit to Neumi or the holding of an Associate Application and Agreement in excess of 48 hours after its execution;
(b) violating the one business per household rule; and/or (c) enrolling fictitious individuals or entities as Associates or Preferred Customers. As well as, enrolling multiple Associates and Customers straight down one leg, essentially pushing volume further and further away from the upline.
36. **Actions of Third-Parties.** If a third party acting on behalf of, or with the active or passive assistance or knowledge of an Associate engages in conduct that would be a violation of the Agreement, the conduct of the third-party may be imputed to the Associate. “Knowledge” of misconduct is not limited to actual knowledge. If an Associate engages in acts or omissions that the Associate knows or SHOULD KNOW will enable a third party to violate this Agreement if such action was taken by the Associate, the Associate shall be deemed to have knowledge of the violation.
37. **Tampering With Product Packaging.** Neumi products must be sold in their original packaging. Associates shall not alter the original packaging or labeling.
38. **Negative Comments.** Complaints and concerns about Neumi should be directed to the customer Service Department. Associates must not disparage, demean, or make negative remarks to third parties or other Associates about Neumi, its owners, officers, directors, management, employees, other Neumi Associates, the Marketing and Compensation plan. Disputes or disagreements between any Associate and Neumi shall be resolved through the dispute resolution process, and the Company and Associates agree specifically not to demean, discredit, or criticize one another on the Internet or any other public forum.

39. **Sales Receipts.** Associates must provide their retail customers that purchase merchandise directly from the Associate with two copies of an official Neumi sales receipt at the time of the sale and advise them of the three day right to rescind the transaction, which is set forth on the receipt. Associates must maintain all retail sales receipts for a period of two years and furnish them to Neumi at the Company's request. Sales receipts can be downloaded in PDF format from your BackOffice. Retail customers who purchase from an Associate's replicated website need not be provided with a sales receipt as the receipt will automatically be sent by the Company via email at the time the order is placed.

40. **Adjustment to Bonuses and Commissions.** Compensation stemming from product sales is fully earned when the applicable return, repurchase, and chargeback periods applicable to product sales have all expired. If a product is returned to Neumi for a refund or is repurchased by the Company, or a chargeback occurs, the compensation attributable to the returned or repurchased product(s) will be recovered by the Company. Unearned compensation will be deducted, in the month in which the refund is issued or the chargeback occurs and continuing every pay period thereafter until the commission is recovered, from the upline Associates who received bonuses and commissions on the sales of the refunded products. Likewise, if it is the responsibility of an Associate to issue a refund to a customer, but Neumi issues the refund, the Company may deduct the amount refunded to the customer from the Associate's subsequent bonuses and commissions.

Neumi reserves the right to withhold or reduce any Associate's compensation as it deems necessary to comply with any garnishment or court order directing Neumi to retain, hold, or redirect such compensation to a third party.

41. **Dormant Payment Wallets.** If there has been no activity in an Associate's payment wallet (no deposits or withdrawals) for a period of six (6) consecutive months, the Company will attempt to notify the Associate by sending a monthly email to the Associate's last known email address notifying him or her of the balance of the funds in the wallet and advising that he or she should immediately withdraw the funds in order to avoid future notice fees. There shall be no charge for the first such notice. Thereafter there shall be a charge of \$10 for

each notice that is sent to the Associate to reimburse the company for its administrative expenses. These charges shall be deducted from the funds in the wallet.

42. **Return of Merchandise and Sales Aids by Associates Upon Cancellation or Termination.** Within 30 days from the cancellation or termination of an Associate's Agreement, the Associate may return products and Sales Tools that he or she personally purchased from Neumi within 12 months prior to the date of cancellation (the one-year limitation shall not apply to residents of Louisiana, Massachusetts and Wyoming and Puerto Rico) so long as the goods are in currently marketable condition and are returned to the Company within 30 days from the date of the Associate's cancellation or termination. Upon the Company's timely receipt of returned goods and confirmation that they are in currently marketable condition, the Associate will be reimbursed 100% of the net cost of the original purchase price(s). Shipping and handling charges will be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account. Goods are in "currently marketable condition" if they are unopened and unused and packaging and labeling has not been altered or damaged. Merchandise that is clearly identified at the time of sale as non-returnable, closeout, discontinued, or as a seasonal item, or which has passed its commercially reasonable usable or shelf life, is not in currently marketable condition. BackOffice and Replicated website fees are not refundable except as may be required under applicable state law.
43. **Refunds and Returns.** On first time purchases, Customers and newly enrolled Associates have 30 days from the day their order arrives to cancel their purchase and obtain a full refund. Shipping and handling charges will be refunded. An explanation of these rights is explained on the sales receipt. For subsequent purchases, see Neumi's Refund/Return Policies at <https://help.neumi.com/knowledge/refund-policy>.
44. **Disciplinary Sanctions.** Violation of the Agreement, any illegal, fraudulent, deceptive, or unethical business conduct, or any act or omission by an Associate that the Company reasonably believes may damage its reputation or goodwill (such damaging act or omission

need not be related to the Associate's Neumi business), may result, at Neumi's discretion, in one or more of the following corrective measures:

- a. The issuance of a written warning;
- b. A requirement that the Associate take immediate corrective action;
- c. Neumi may withhold from an Associate all or part of the Associate's bonuses and commissions during the period that Neumi is investigating any conduct allegedly in violation of the Agreement. If an Associate's business is canceled for disciplinary reasons, the Associate will not be entitled to recover any commissions withheld during the investigation period;
- d. The removal of one or more downline Associates from the offending Associate's downline organization/team;
- e. Suspension and/or termination of the offending Associate's replicated website or BackOffice access;
- f. Suspension of the offender's Associate Agreement and independent Neumi business for one or more pay periods (without pay);
- g. Involuntary termination of the offender's Associate Agreement and independent Neumi business; or
- h. Any other measure expressly allowed within any provision of the Agreement or which Neumi deems appropriate to address the misconduct or appropriate to equitably resolve injuries caused partially or exclusively by the Associate's policy violation or contractual breach.

In situations deemed appropriate by Neumi, the Company may institute legal proceedings for monetary and/or equitable relief.

- 45. Disclosure of Compliance Measures / Disciplinary Sanctions to Upline.** If a disciplinary sanction or compliance measure is taken against an Associate pursuant to Policy 44, the Company may disclose the details of the matter and its resolution to the disciplined Associate's Sponsor and other upline leaders.
- 46. Indemnification.** Associates agree to indemnify Neumi for any and all costs, expenses, consumer reimbursements, fines, sanctions, damages, settlements or payments of any other nature that Neumi

incurs resulting from or relating to any act or omission by Associate that is illegal, fraudulent, deceptive, negligent, reckless or in violation of the Agreement. Neumi may elect to exercise its indemnification rights through withholding any compensation due the Associate. This right of setoff shall not constitute Neumi's exclusive means of recovering or collecting funds due Neumi pursuant to its right to indemnification.

47. **Effect of Cancellation.** An Associate whose business is canceled for any reason will lose all Associate rights, benefits and privileges. This includes the right to represent himself/herself as an Independent Neumi Associate, to sell Neumi products and services and the right to receive commissions, bonuses, or other income resulting from his/her own sales and the sales and other activities of the Associate and the Associate's former downline sales organization. If an Associate is also on the autoship program, the Associate's autoship order shall continue unless the Associate also specifically requests that his or her customer autoship Agreement also be canceled.

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

48. **Voluntary Cancellation.** A participant in this network-marketing plan has a right to cancel at any time, regardless of reason. Cancellation shall be effective by: a) submitting written cancellation to the Company at its principal business address or by cancelling his/her business via email at Compliance@neumi.com; (b) the Company may (but is not required to) rely on any public announcement of resignation or cancellation by the Associate (including but not limited to any announcement on social media) as an effective cancellation; (c) Revoking your authorization to contract electronically; or (d) any other means authorized by Neumi.

49. **Involuntary Cancellation.** Violation of any term of the Agreement, 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 associate that the Company reasonably believes may damage its reputation or goodwill (such damaging act or omission need not be related to the Associate's

Neumi business), may result, at Neumi's discretion, in the termination of this Agreement as provided in Policy 44 above.

50. **Cancellation for Inactivity.** If an Associate fails to earn a commission for six (6) consecutive months, his/her Associate Agreement and Neumi business may be canceled for inactivity. If an Associate is also on the customer Auto-ship, the Associate's Auto-ship order shall continue unless the Associate specifically requests that his or her Auto-ship order also be canceled. The former Associate shall be reclassified as a Retail Customer. However, if the Retail Customer remains inactive for three (3) months after we downgrade the account, the account will be terminated immediately.
51. **Business Transfers.** Associates in good standing who wish to sell or transfer their business must receive Neumi's prior written approval before the business may be transferred. A business that is on disciplinary probation, suspension, or under disciplinary investigation is not in good standing and may not be transferred unless and until the disciplinary matter is resolved. Requests to transfer a business must be submitted in writing to the Company at Compliance@neumi.com. The request to transfer will be denied if the business is not in good standing or if there is another reasonable reason for denying the request. Prior to transferring a business to a third party, the Associate must offer the Company the right of first refusal to purchase the business on the same terms as negotiated with a third party. The Company shall have ten days to exercise its right of first refusal.
52. **Transfer Upon an Associate's Death.** Upon the death of an Associate, the Associate's Neumi business may be passed to his/her heirs. The beneficiary or transferee of the business must notify Neumi of their intention to receive the transfer of the business within six (6) months of the date of death. If Neumi receives no such notification within such time period, the Agreement shall be automatically canceled. Prior to the actual transfer of the business, the beneficiary or transferee must provide Neumi with certified letters testamentary or letters of administration and written instructions of the executor of the estate, or an order of the court, that provides direction on the proper disposition of the business. The beneficiary must also execute and submit to the Company a Neumi Associate Agreement and the required transfer registration fee (if any) within 30 days from the date

on which the business is transferred by the estate to the beneficiary or transferee, or the Agreement will be canceled. Because Neumi cannot divide commissions among multiple beneficiaries or transferees, if there are multiple beneficiaries or transferees of the business, the beneficiaries or transferees must form a business entity and submit a Neumi Associate Agreement in the name of the business entity. Upon the completion of these requirements, Neumi will transfer the business and issue commissions to the individual beneficiary or business entity, as the case may be. During the pendency of the actual transfer of the business, commission and bonus payments (if any are earned) will be issued in the name of the estate of the deceased Associate.

If the beneficiary or transferee is already a Neumi Associate, the Company, in its sole discretion, may grant an exception to the one Associate per household policy (at Policy 34 above) upon written request from the beneficiary or transferee.

53. Business Distribution Upon Divorce. Neumi is not able to divide commissions among multiple parties, nor is it able to divide a downline organization. Consequently, in divorce cases, any settlement or divorce decree must award the business in its entirety to one party. Neumi will recognize as the owner of the business the former spouse to who is awarded the business pursuant to a legally binding settlement agreement or decree of the court. The former spouse who receives the Neumi business must also execute and submit a Neumi Associate Agreement within 30 days from the date on which the divorce becomes final or the business will be canceled.

54. Dissolution of a Business Entity. Neumi is not able to divide commissions among multiple parties, nor is it able to divide a downline organization. Consequently, in the event that a business entity that operates a Neumi business dissolves, the owners of the business entity must instruct the Company on the identity of the proper party who is to receive the business. The Neumi business must be awarded to a single individual or entity that was previously recognized by the Company as an owner of the business entity; the Company cannot divide the business among multiple parties or issue separate commission payments. If the business entity wishes to sell or

transfer its Neumi business, it must do so pursuant to Policy 51. In addition, the recipient of the Neumi business must also execute and submit a Neumi Associate Agreement to the Company within 30 days from the date of the dissolution of the business entity or the Neumi business will be canceled.

55. **Reporting Errors.** If an Associate believes that Neumi has made an error in his/her compensation, the structure or organization of his/her genealogy, or any other error that impacts the Associate's income, he/she must report it to the company in writing within 60 days from the date on which the mistake occurred. While Neumi shall use its best efforts to correct errors reported more than 60 days after the date of the error, Neumi shall not be responsible to make changes or remunerate Associates for losses for mistakes that are reported more than 60 days after the mistake occurs.
56. **International Activities.** Associates may not sell Neumi products or conduct business activities of any nature in any foreign country that the Company has not announced is officially open for business.
57. **Severance.** If any policy is determined to be unenforceable, only the unenforceable policy shall be severed from the Agreement and all remaining policies shall remain in effect.