



STATEMENT OF  
**POLICIES & PROCEDURES**

Effective 01/24/2020

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## SECTION 1—INTRODUCTION

### **1.1—Purpose of Policies**

Thrive Life Consultants must comply with all of the terms and conditions set forth in the Thrive Life Consultant Application and Agreement (“Consultant Agreement”), as well as all federal and state laws governing their Thrive Life business and their conduct as independent Consultants. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Consultant Agreement. Please review the information in these policies carefully. They explain and govern the relationship between you, as an independent Consultant, and Thrive Life, LLC (“Thrive Life”, or the “Company”). It is the responsibility of each Consultant 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 Consultant, it is the responsibility of the sponsoring Consultant to provide the most current version of these policies to the applicant prior to his or her execution of the Consultant Agreement.

### **1.2—Policies Incorporated Into Consultant Application and Agreement**

These Policies and Procedures (“Policies”), in their present form and as amended at the sole discretion of the Company, are incorporated into, and form an integral part of the Consultant Agreement. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the Thrive Life Consultant Agreement, these Policies, and the Thrive Life Compensation Plan.

### **1.3—Policies and Provisions Severable**

If any provision of the Agreement, in its current form or as may be amended, is determined by a proper authority to be invalid or unenforceable, the other provisions herein shall remain in full force and effect and shall be liberally construed in order to effectuate the purpose and intent of these Policies and the Agreement.

### **1.4—Changes to the Consultant Agreement, Policies and Procedures, or Compensation Plan**

Because federal, state, and local laws, as well as the business environment, periodically change, Thrive Life reserves the right to amend the Policies and the prices in its Thrive Life product price List in its sole and absolute discretion. By signing the Consultant Agreement, a Consultant agrees to abide by all amendments or modifications that Thrive Life elects to make to these Policies. Notification of amendments shall appear in Official Thrive Life Materials. Amendments shall be effective upon publication in Official Thrive Life Materials, including but not limited to, posting on [thrive.life.com](http://thrive.life), e-mail distribution, and publication in Thrive Life’s newsletter, product inserts, or any other commercially reasonable method. The continuation of a Consultant’s Thrive Life business or a Consultant’s acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

### **1.5—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 Thrive Life to exercise any right or

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

### **1.6—Delays**

Thrive 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, death, curtailment of a party's source of supply, or government decrees or orders.

### **1.7—Titles not Substantive**

The titles and headings in the Agreement are for reference purposes only, and do not constitute, and shall not be construed as, substantive terms of the Policies.

## SECTION 2—BECOMING A CONSULTANT

### **2.1—Requirements to Become a Consultant**

To become a Thrive Life Consultant, each applicant must:

- 1) Be of the age of majority in his or her state of residence (Consultants shall not enroll or recruit minors into the Thrive Life program);
- 2) reside in the United States or other countries which have been officially opened by Thrive Life;
- 3) have a valid Social Security Number or Federal Tax Identification Number;
- 4) submit a properly completed and signed Consultant Agreement to Thrive Life (the Company reserves the right to reject any applications for new Consultant position); and
- 5) purchase a Starter Kit.

### **2.2—Consultant Benefits**

Once a Consultant Agreement has been accepted by Thrive Life, the benefits of the Compensation Plan and the Consultant Agreement are available to the new Consultant. These benefits include the right to:

- 1) Purchase Thrive Life products and services ("products") at the wholesale price;
- 2) Retail Thrive Life products or resell services, which are described in the Thrive Life product catalog, and profit from these sales;

- 3) Participate in the Thrive Life Compensation Plan (i.e., receive bonuses and commissions, if eligible);
- 4) Sponsor other individuals as Consultants into the Thrive Life business and thereby build a marketing organization and progress through the Thrive Life Compensation Plan;
- 5) Receive periodic Thrive Life literature and other Thrive Life communications;
- 6) Participate in Thrive Life-sponsored support service training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- 7) Participate in promotional and incentive contests and programs sponsored by Thrive Life for its Consultants.

### **2.3—Inventory and Starter Kit**

No person is required to purchase Thrive Life products to become a Consultant. However, to familiarize new Consultants with Thrive Life products, sales techniques, sales aids, and other materials, the purchase of a Starter Kit is required. Thrive Life will repurchase resalable Starter Kits from any Consultant who terminates his or her Consultant Agreement pursuant to the terms in the “Return of Inventory and Sales Aids by Consultants” section of these Policies (See [Section 7.3](#)).

## SECTION 3—ORDERING

### **3.1—Purchasing Thrive Life Products**

Each Consultant should purchase his or her products directly from Thrive Life. If a Consultant purchases products from another Consultant or any other source, the purchasing Consultant will not receive the commissions associated with that purchase.

### **3.2—General Order Policies**

Thrive Life maintains no minimum order requirements. Orders for products and sales aids may be combined. Orders for multiple individuals may not be combined into one order to save on shipping costs.

### **3.3—Shipping and Backorder Policy**

Thrive Life will expeditiously ship any part of an order currently in stock. If, however, an ordered item is out-of-stock, it will be placed on backorder and sent when Thrive Life receives additional inventory. Consultants will be charged and given commission on backordered products unless notified on the invoice that the item has been discontinued. Thrive Life will notify Consultants and customers if items are backordered and are not expected to ship within thirty (30) days from the date of the order. The Company will also provide an estimated shipping date. Backordered products may be canceled upon a Consultant’s request. Consultants may request a refund, credit on account, or replacement merchandise for canceled backorders. If Consultant requests a refund, the Consultant’s commission will be decreased by the amount of the refund in the month and bonuses withheld in a subsequent month in which the refund is issued.

### **3.4—Confirmation of Order**

A Consultant and/or recipient of an order must confirm that the product received matches the product listed on the shipping invoice, and is free of damage. Failure to notify Thrive Life of any shipping discrepancy or damage within thirty (30) days of shipment will cancel a Consultant's right to request a correction.

### **3.5—Payment and Shipping Deposits**

Payment may not be made, paid to or accepted by a Consultant for a sale to a personal retail customer except at the time of product delivery. Consultants may not accept payment from retail customers to be held by Consultant for deposit in anticipation of future deliveries.

### **3.6—Insufficient Funds**

It is the responsibility of each Consultant to ensure that there are sufficient funds or credit available in his or her account to cover their recurring deliveries. (As further defined below) Thrive Life is not required to contact Consultants in regard to orders canceled due to insufficient funds or credit. The Consultant understands and agrees that this may result in a Consultant's failure to meet his or her commission plan requirements for the month.

### **3.7—Returned Checks**

All checks returned by a Consultant's bank for insufficient funds ("NSF") will be re-submitted for payment. A \$25.00 returned check fee will be charged to the account of the Consultant. After receiving a returned check from a customer or a Consultant, all future orders must be paid by credit card, money order or cashier's check. Any outstanding balance owed to Thrive Life by a Consultant for NSF checks and returned check fees may be withheld from subsequent bonus and commission checks or collected in any other manner deemed appropriate by Thrive Life. Reinstatement of payment by check shall be at the discretion of Thrive Life.

### **3.8—Restrictions on Third Party Use of Credit Cards and Checking Account Access**

Consultants shall not permit other Consultants or customers to use his or her credit card, or permit debits to their checking accounts, to enroll or to make purchases from the Company.

### **3.9—[Sales Taxes]**

By virtue of its business operations, Thrive Life is required to charge sales taxes on all purchases made by Consultants and customers, and remit the taxes charged to the respective states. Accordingly, Thrive Life will collect and remit sales taxes on behalf of Consultants, based on the suggested retail price of the products, according to applicable tax rates in the state to which the shipment is destined. If a Consultant has submitted, and Thrive Life has accepted, a current Sales Tax Exemption Certificate and Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be that of the Consultant. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. Any sales tax exemption accepted by Thrive Life is not retroactive.

## SECTION 4—RESPONSIBILITIES OF CONSULTANTS

### **4.1—Change of Address or Telephone**

To ensure timely delivery of products, support materials and commission checks, it is critically important that Thrive Life's files are current and accurate. Street addresses are required for shipping since our shipping company cannot deliver to a post office box. Consultants planning to move should send their new address and telephone number to Thrive Life's Corporate Offices to the attention of the Consultant Services Department (see the Company website for contact information). To guarantee proper delivery, two (2) weeks advance notice must be provided to Thrive Life on all changes.

### **4.2— Continuing Development Obligations and Ongoing Training**

Any Consultant who is the sponsor of another Consultant must perform a bona fide supervisory function to ensure that his or her downline of Consultants he or she has sponsored is properly operating his or her Thrive Life business. Consultants must have ongoing contact, communication and management supervision with the Consultants in their Marketing Organizations (defined below) Examples of such contact and supervision may include, but are not limited to: Getting Started Training, newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline Consultants to Thrive Life meetings, training sessions, and other functions. Upline Consultants are also responsible to motivate and train newly sponsored downline Consultants in Thrive Life product knowledge, effective sales techniques, the Agreement, including without limitation, the Thrive Life Compensation Plan, and compliance with these Policies.

### **4.3—Increased Training Responsibilities**

As Consultants progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and understanding of the Thrive Life program. They will be called upon by the Company to share this knowledge with lesser experienced Consultants within their Marketing Organization. Consultants must comply to all reasonable requests by the Company for such support.

### **4.4—Ongoing Sales Responsibilities**

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

### **4.5—Nondisparagement**

Thrive Life wants to provide its Consultants with superior products, a compensation plan and service in the industry. Accordingly, the Company highly regards each Consultant's constructive criticisms and comments. All such feedback should be submitted in writing to Thrive Life's Consultant Services Department. While Thrive Life welcomes constructive input, negative comments and remarks made by Consultants about the Company, its products or Compensation Plan serve no purpose other than to diminish the enthusiasm of other Thrive Life Consultants. For this reason, and to set the proper example for their sponsored Consultants in their downline, Consultants must not



disparage, demean or make negative remarks about Thrive Life, other Thrive Life Consultants, the products, the Compensation Plan, or Thrive Life's directors, officers or employees.

#### **4.6—Providing Documentation to Applicants**

Consultants must provide the most current version of the Policies and the Compensation Plan to individuals whom they may sponsor to become Consultants before the applicant signs a Consultant Agreement. Additional copies of the Policies can be acquired from Thrive Life.

#### **4.7—Reporting Policy Violations**

Consultants observing a violation of the Policies by another Consultant should submit a written report of the violation directly to the attention of the Thrive Life Compliance Department. Details of the incident such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

### **SECTION 5—SALES REQUIREMENTS**

#### **5.1—Product Sales**

The Thrive Life Compensation Plan is based upon the sale of Thrive Life products to end consumers. Consultants must fulfill personal and Marketing Organization (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement.

#### **5.2—No Price or Territory Restrictions**

Consultants are not required to sell Thrive Life products at the suggested retail prices set by Thrive Life on the Thrive Life Price List. Consultants may sell Thrive Life products at any price equal to or greater than Best Price for the product plus the cost of shipping required to send the product to the customer ("Best Price" being defined as the lowest price given on the Wholesale Price List for a single container of any product, as published and modified by Thrive Life from time to time). There are no exclusive territories granted to anyone. No franchise fees are required, as the Company is not a franchisor and Consultants are not franchisees. Any Consultant who advertises and/or offers to sell Thrive Life products at a price less than Best Price will be immediately terminated, without any cure period. When reselling any previously purchased products, Consultants may charge any price equal to or greater than retail sale price (price paid by retail customers purchasing online) plus the cost of shipping required to send the product to the customer.

#### **5.3—Sales Receipts**

If a Consultant sells any Thrive Life products from his or her inventory, he or she must give the customer a copy of a retail sales receipt at the time of the sale. Consultants must maintain all retail sales receipts for a period of two (2) years and furnish them to Thrive Life at the Company's request. Records documenting online purchases of Consultants' customers will be maintained by Thrive Life.

## SECTION 6—BONUSES, COMMISSIONS, AND BENEFITS

### **6.1—Bonus and Commission Qualifications**

A Consultant must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as a Consultant complies with the terms of the Agreement, Thrive Life shall pay commissions to such Consultant in accordance with the Compensation Plan. In order to receive commission, Consultants must have personal monthly purchases of no less than \$50–\$150, depending on Consultant rank (please refer to the compensation guide for specific personal delivery requirements relative to different ranks). Non commissionable and clearance items do not count toward delivery minimum requirements. The minimum amount for which Thrive Life will issue a check is determined by the Company (currently estimated to be \$5.00). If a Consultant's bonuses and commissions do not equal or exceed the minimum amount, the Company will accrue the commissions and bonuses until they reach the minimum amount. A check will be issued once this amount has been accrued.

### **6.2—Adjustment to Bonuses and Commissions**

Consultants receive bonuses and commissions based on the actual sales of products to end consumers. When a product is returned to Thrive Life for a refund or is repurchased by the Company, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted, in the month in which the refund is given or will be withheld from any bonus, commission or other amount owed by the Company. Deductions will continue every pay period thereafter until the commission is recovered from the Consultants who received bonuses and commissions on the sales of the refunded goods.

### **6.3—Unclaimed Commissions and Credits**

Consultants must deposit or cash commission and bonus checks within six (6) months from their date of issuance. A check that remains un-cashed after six (6) months will be deemed forfeited by the Consultant. After a check has been forfeited, Thrive Life will credit the Consultant's account. There shall be a \$15.00 charge for such a transaction; plus a \$10.00 monthly maintenance fee. Any other issued credit (other than a voided check) that remains unused after six (6) months will incur a \$10.00 monthly maintenance fee.

### **6.4—Redeeming Fan Perks and Tasting Supply Benefits**

The main purpose of our fan perks is to assist Consultants in their businesses by incentivizing customers to have tastings. Most fan perks are redeemable by Consultants as well, but some exist solely as fan incentives and may not be redeemed by Consultants. Consultants may receive perks for booking tastings from a tasting they've had only if the booked tasting is held by someone other than themselves and it is within 100 days of their enrollment. Neither Consultants nor fans may split the orders from a tasting into multiple smaller tastings in My Office in order to receive more perks. Tasting guests may use the Double Dip perk to count their purchase at a tasting toward the sale total of a tasting they have. Tasting guests may Double Dip up to \$5,000 of their individual order. Consultants may redeem the Double Dip perk only on the first tasting they have.

Consultants and fans must redeem their fan perks and tasting supply benefit orders within 90 days from the date of their tasting or event. A fan perk or tasting supply benefit order that remains un-processed after 90 days will be deemed forfeited by the Consultant or fan.

## SECTION 7—PRODUCT GUARANTEES, RETURNS, AND INVENTORY REPURCHASE

### **7.1—Product Guarantee**

Thrive Life offers a one hundred percent (100%) 30-day money back satisfaction guarantee (less shipping charges) to all retail customers. If a customer purchased a product from a Thrive Life Consultant, the customer must return the product to that Consultant for a refund, replacement or exchange. If a customer purchased the product directly from the Company, the product should be returned directly to the Company. If a Consultant is unsatisfied with any Thrive Life product, besides Simple Plate, purchased for personal use, the Consultant may return the product within thirty (30) days from the date of purchase for a one hundred percent (100%) refund, a replacement or exchange (less shipping charges). Thrive Life also offers a one hundred percent (100%) refund on all Simple Plate meals within 30 days of receipt (less shipping charges) as long as the Simple Plate meal is in its original packaging and condition. This guarantee is limited to \$300 in any twelve (12) month period. If a Consultant wishes to return products exceeding \$300 in any twelve (12) month period, the return will be deemed an inventory repurchase and the Company shall repurchase the inventory pursuant to the terms in [Section 7.3](#) below, and the Consultant's Consultant Agreement shall be canceled.

### **7.2—Returns by Consultants (Products Returned by Personal Retail Customers)**

If a personal retail customer returns a product to the Consultant from whom it was purchased, the Consultant may return it to the Company for an exchange or replacement (the Consultant returning the product is responsible for all shipping charges).

### **7.3—Return of Inventory and Sales Aids by Consultants/Customers**

Upon cancellation of a Consultant's Consultant Agreement, the Consultant may return up to \$500 in product inventory and sales aids purchased within thirty (30) days from the date of purchase for a refund if he or she is unable to sell or use the merchandise. A Consultant may only return products and sales aids he or she personally purchased from the Company under his or her Consultant Identification Number, and which are in resalable condition. Upon receipt of the products and sales aids, the Consultant will be reimbursed ninety percent (90%) of the net cost of the original purchase price(s), less shipping charges. If the purchases were made through a credit card, the refund will be credited back to the same credit card account. The Company shall deduct from the reimbursement paid to the Consultant any commissions, bonuses, rebates or other incentives received by the Consultant which were associated with the merchandise that is returned.

### **7.4—Procedures for all Returns**

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

- 1) All product inventory must be returned by the Consultant or customer who purchased it directly from Thrive Life.

- 2) All products to be returned must have a return authorization number (“Return Authorization Number”) which will be obtained by calling the Consultant Services Department. This Return Authorization Number must be written on each carton returned. The return must be accompanied by:
  - a) A copy of the original dated retail sales receipt (if product was returned to the Consultant by a retail customer); and
  - b) The unused portion of the product in its original container. Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement. All returns must be shipped to Thrive Life shipping pre-paid. Thrive Life does not accept shipping-collect packages. The risk of loss in shipping for returned product shall be borne solely by the Consultant. It is the sole responsibility of the Consultant to trace, insure or otherwise confirm that the Company has received the shipment. If a Consultant is returning merchandise to Thrive Life that was returned to him or her by a personal retail customer, the product must be received by Thrive Life within ten (10) days from the date on which the retail customer returned the merchandise to the Consultant, and must be accompanied by the sales receipt the Consultant gave to the customer at the time of the sale. No refund or replacement of product will be made if the conditions of these rules are not met. For Simple Plate, the whole product must be returned in its original packaging and condition.

## SECTION 8—OPERATING A THRIVE LIFE BUSINESS

### **8.1—Adherence to the Thrive Life Compensation Plan**

Consultants must adhere to the terms of the Thrive Life Compensation Plan as set forth in materials sent directly from Thrive Life (“Official Thrive Life Materials”). Consultants shall not offer the Thrive Life opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically stated in Official Thrive Life Materials. Consultants shall not require or encourage other current or prospective customers or Consultants to participate in Thrive Life in any manner that varies from the program as set forth in Official Thrive Life Materials. Consultants shall not require or encourage other current or prospective customers or Consultants to execute any agreement or contract other than those furnished directly from Thrive Life itself, in order to become a Thrive Life Consultant. Similarly, Consultants shall not require or encourage other current or prospective customers or Consultants to make any purchase from, or payment to, any individual or other entity to participate in the Thrive Life Compensation Plan other than those purchases or payments identified as recommended or required in Official Thrive Life Materials.

### **8.2—Advertising**

All Consultants shall safeguard and promote the good reputation of Thrive Life and its products. The marketing and promotion of Thrive Life, the Thrive Life opportunity, the Compensation Plan, and Thrive Life products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices. Thrive Life specifically prohibits the use of mass unsolicited telephone autodialing, faxing, e-mail (“spam”), and “boiler-room” telemarketing operations. This includes adding individual’s email account information to your customer list to send out newsletters and information without their permission. To promote

both the products and the opportunity Thrive Life offers, Consultants must use the sales aids and support materials produced by Thrive Life. If Thrive Life Consultants develop their own sales aids and promotional materials (which includes Internet advertising), notwithstanding Consultants' good intentions, they may unintentionally violate any number of statutes or regulations affecting a Thrive Life business. These violations, could jeopardize the Thrive Life opportunity for all Consultants.

Accordingly, Consultants must submit all written sales aids, promotional materials, advertisements, websites and other literature to the Company for Company's approval prior to use if anything is stated or presented differently than in the Thrive Life website or literature. Unless the Consultant receives specific written approval to use the material, the request shall be deemed denied.

Websites created by Consultants must include the official Thrive Life logo, and must clearly state that it is an Independent Consultant website on the landing page. The site must have a link to [www.thrivelife.com](http://www.thrivelife.com) at the top of the landing page. Any revisions or additions to websites or marketing material must also receive company approval.

### **8.3—Participation in Thrive Life Corporate Marketing Efforts**

Thrive Life encourages Consultant participation in the Company's marketing efforts and Consultants may submit their marketing ideas to the Company. Likewise, Consultants are encouraged to participate in all Company-sponsored telephone calls or web conferences to interact and share ideas with Company leadership as well as other Consultants. All submissions to the Company, including those coming by way of verbal participation in Company-sponsored telephone calls or web conferences, become the property of Thrive Life. All Company-sponsored telephone calls are copyrighted material owned by Thrive Life and are intended for Consultants' individual use. Any rebroadcast, reproduction or distribution of this copyrighted material without the express written consent of Thrive Life is prohibited.

### **8.4—Online Policies**

- 1) Consultant Website URLs and/or Private Website URLs and designs must be approved by Thrive Life before use.
- 2) A Private Website may not mimic the [thrivelife.com](http://thrivelife.com) website, or otherwise portray itself, purposely or unintentionally, as an official corporate website. Any significant revisions to the design or layout must receive company approval prior to the changes going into effect.
- 3) All content on Private Websites is subject to periodic review by Thrive Life. Thrive Life reserves the right to take any and all appropriate measures to remove content it deems inappropriate.
- 4) Private Websites must prominently display the official Thrive Life logo, and must clearly state that it is an Independent Consultant website in the top corner of the landing page. The site must also have a link to [thrivelife.com](http://thrivelife.com) displayed prominently on the landing page.
- 5) A Consultant may include their rank title on a Private Website. They may not use other titles or content that imply official position or responsibility within the Thrive Life corporate organization, without the express written approval of Thrive Life.
- 6) If you choose to advertise your Consultant Website or Private Website online, all forms of such advertising must meet the following requirements:

- a) Display URLs must use the Private Website URL or the entire Consultant Website URL (e.g. mystore.thrivelife.com), and may not use “thrivelife.com” or “www.thrivelife.com.”
  - b) If the form of advertising includes pay per click (eg., Google Adwords), Consultants may not purchase the terms “Thrive Life”.
  - c) If the form of advertising includes pay per click (eg., Google Adwords), the ad must include “Independent Consultant” at the beginning of the ad.
  - d) Advertisements must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.
  - e) The use of any geographic location alongside Thrive Life is prohibited.
  - f) Advertisements must safeguard and promote the good reputation of Thrive Life and its products.
  - g) Thrive Life reserves the right to require URL changes at any time.
- 7) Consultants must submit all custom online advertisements to Thrive Life for approval prior to use. Once submitted the advertisement automatically receives provisional approval status and may be used immediately. The use of any advertisement that is denied approval must be discontinued immediately. Thrive Life reserves the right to deny individual Consultants the right to receive automatic provisional approval for their advertisements.
  - 8) Images and other content created by Thrive Life may be used on Consultants’ Private Websites. However, images, text, and all other content created by other Thrive Life Consultants may not be copied or used without the prior written consent of the content creator.
  - 9) Thrive Life independent Consultants shall not promote the products and/or business opportunity via applications or tools, such as traffic-redirecting programs, that replace cookies and tracking codes with their own. This is strictly prohibited. Private websites may not utilize hidden cookies, cookie stuffing, or other similar techniques to tie a customer to a Consultant Website.
  - 10) Consultants may not use Thrive Life’s social media outlets for self promotion.
  - 11) Consultants may not advertise prices, or sell at prices, below wholesale pricing. All pricing must be kept up to date with the most current price list. The only instance in which lower pricing may be offered by Consultants is to match pricing offered by other retailers selling Thrive Life products. When matching pricing, Consultants may not disclose the name of the entity being matched and may not use text, logos, or imagery produced by that entity.
  - 12) The use of spam, unsolicited email, and indiscriminate advertising is expressly prohibited.
  - 13) Consultants may not engage in activities that will, or have the potential to, harm or detrimentally influence other businesses (independent Consultant businesses or retail businesses) that carry or sell Thrive Life products. This includes mentioning other businesses by name, their specific products or prices, pictures, website links, and/or comparison to your prices on your Private Website.

## **8.5—Sponsoring**

All Active Consultants in good standing have the right to sponsor and enroll new Thrive Life Consultants. Each prospective Consultant has the ultimate right to choose his or her own Sponsor. If

two Consultants claim to be the sponsoring Consultant of the same new Consultant, the Company shall regard the first application received by the Company as controlling.

### **8.6—Delivery Service Transferring**

Delivery Service accounts may only be transferred from one Consultant to another if the customer and the original Consultant send a message to Customer Service requesting this change. The only time permission from the original Consultant is unnecessary are 1) if the delivery service customer hasn't ordered for at least 6 months and 2) if a new Consultant is enrolled by a Consultant other than the one that enrolled them on the delivery service. Either the newly enrolled Consultant or the enrolling Consultant must contact Customer Service and request the transfer; if a transfer is not requested, the delivery service will stay under the Consultant who first set it up.

### **8.7—Trademarks and Copyrights**

The name "Thrive Life" (or any form thereof) and other names as may be adopted by Thrive Life are proprietary trade names, trademarks and service marks of Thrive Life. As such, these marks are of great value to Thrive Life and are supplied to Consultants for their use only in an expressly authorized manner. Use of the Thrive Life name or any form thereof, including their use as or within internet domain names, on any item not produced by the Company is prohibited unless approved by the company.

If a Consultant uses the name Thrive Life and/or any of Thrive Life's products in his or her advertising, the Consultant must identify the mark as the property of Thrive Life, LLC. All Consultants may list themselves as an "Independent Thrive Life Consultant" in the white or yellow pages of the telephone directory under their own name. No Consultant may place telephone directory display ads using Thrive Life's name or logo. A Consultant may not answer the telephone by saying "Thrive Life", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Thrive Life. Consultants may not produce for sale, or any other purpose, any recorded Company events and speeches without written permission from Thrive Life; nor may Consultants reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations. In accordance with a Consultant's strict adherence to the foregoing instruction on the use of Thrive Life's trademarks, Thrive Life grants to each Consultant so adhering, a nonexclusive license to use said marks. Said license may be revoked at any time at the sole discretion of Thrive Life.

### **8.8—Media and Media Inquiries**

Consultants may not respond to media inquiries regarding Thrive Life, its products, or their independent Thrive Life business. All inquiries by any type of media must be immediately referred to Thrive Life's corporate offices.

### **8.9—Business Entities**

A corporation, partnership or trust (collectively referred to in this section as a "Business Entity") may apply to be a Thrive Life Consultant by submitting a Thrive Life Business Entity Information Form 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 Thrive Life. A Thrive 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 Consultant(s) must provide the Entity Documents to Thrive Life. The Consultant 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 Thrive Life.

### **8.10—Changes to the Thrive Life Business**

Consultants must immediately notify Thrive Life of all changes to the information provided by Consultant in his or her Consultant Agreement. Consultants may modify the information they provided that is contained in their existing Consultant Agreement (i.e., change Social Security Number to Federal Tax Identification Number, or change the form of ownership from an individual proprietorship to a Business Entity owned by the Consultant) by submitting a written request, and appropriate supporting documentation. Each business will receive a separate IRS Form 1099.

### **8.11—Addition of Co-applicants**

When adding a co-applicant (either an individual or a business entity) to an existing Thrive Life business, the Company requires a written request from the existing/original Consultant as well as a properly completed Consultant Agreement containing the original applicant's and co-applicant's Social Security Numbers or Federal Tax Identification Numbers and signatures. To prevent the circumvention of the "Sale, Transfer or Assignment of Thrive Life Business" (see [Section 8.34](#)) (regarding transfers and assignments of Thrive Life business), the original applicant must remain as a party to (and obligated under) the original Consultant Agreement. If the original Consultant wants to terminate his or her relationship with the Company in connection with said transfer, he or she must first transfer or assign his or her business in accordance with the "Sale, Transfer or Assignment of Thrive Life Business" (see [Section 8.34](#)). If this process is not followed, the business shall be cancelled upon the withdrawal of the original Consultant. All bonus and commission checks will be sent to the address of record of the original Consultant. Please note that the modifications permitted within the scope of this paragraph do not include a change of sponsorship. Changes of sponsorship are addressed in "Change of Sponsor" (see [Section 8.10](#)). There is a \$25.00 fee for each change requested, which must be included with the written request and the completed Consultant Agreement. Thrive Life may, at its discretion, require notarized documents before implementing any changes to a Thrive Life business. Please allow thirty (30) days after the receipt of the request by Thrive Life for processing.

### **8.12— Change of Sponsor**

The transfer of a Thrive Life business from one Consultant to another is rarely permitted. Requests for change of sponsorship must be submitted in writing to Thrive Life's corporate offices, and must include a reason for the transfer. Thrive Life will only consider transfers in the following four (4) circumstances:

- 1) The sponsoring Consultant can move the Consultant they enrolled under anyone in their downline within ninety (90) days of the new enrollment.
- 2) Within ten (10) days of the enrollment date, the Consultant seeking to transfer submits a properly completed sponsorship and enroller transfer form ("Sponsorship and Enroller Transfer Form") which includes the signature of the Consultant seeking to transfer to a new sponsoring Consultant and the signature of the original sponsoring Consultant;



- 3) In cases involving fraudulent inducement or unethical sponsoring, a Consultant may request that he or she be transferred to another organization with his or her entire Marketing Organization intact. All requests for transfers alleging fraudulent enrollment practices shall be evaluated on a case by case basis, and must be submitted to the Company in writing within sixty (60) days from the enrollment date. The request must include a detailed description of why the Consultant believes his or her enrollment was fraudulently induced;
- 4) The Consultant seeking to transfer to a new sponsoring Consultant submits a properly completed and fully executed Sponsorship and Enroller Transfer Form which includes the written approval of all parties whose income will be immediately affected by the transfer. Photocopied or facsimile signatures are not acceptable. All Consultant signatures must be notarized. The Consultant who requests the transfer must submit a fee of \$50.00 for administrative charges and data processing. Transferring Consultant must allow thirty (30) days after the receipt of the Sponsorship and Enroller Transfer Forms by Thrive Life for processing and verifying change requests. A transferring Consultant's Downline shall remain in the original genealogy and shall not be moved with the transferring Consultant; however, Thrive Life reserves the right to make Downline genealogy changes at its discretion.

### **8.13— Cancellation and Re-application**

A Consultant may legitimately change organizations by voluntarily canceling his or her Thrive Life business and remaining inactive (i.e., no purchases of Thrive Life products for resale, no sales of Thrive Life products, no sponsoring, no attendance at any Thrive Life functions, participation in any other form of Consultant activity, or operation of any other Thrive Life business) for six (6) full calendar months. Following the six (6) month period of inactivity, the former Consultant may reapply to become a Consultant under a new Sponsor. The former Consultant must register again with a new Consultant ID and purchase a new starter kit. Previous customers and downline Consultants will not be returned to Consultants who reapply. A former Consultant whose business agreement was cancelled by Thrive Life due to a six (6) month period of inactivity may also reapply as a Consultant following this process.

### **8.14— Indemnification for Unauthorized Claims and Actions**

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

### **8.15—Product Claims**

No claims relating to any products offered by Thrive Life may be made by Consultants except those contained in Official Thrive Life Materials. This includes shelf life claims that are different than what is stated on the label and the price list. Without limiting the generality of the foregoing, no Consultant may make any claim that Thrive Life products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as medicinal or drug

related claims. No shelf life claims may be made by Consultants that are different than what is stated on the label and the price list.

### **8.16—Income Claims**

A Consultant, when presenting or discussing the Thrive Life opportunity or Compensation Plan to a prospective Consultant, may not make income projections, income claims or disclose to any third parties, including but not limited to potential Thrive Life Consultant applicants, his or her Thrive Life income.

### **8.17—Commercial Outlets**

Thrive Life strongly encourages the retailing and selling of its products through word of mouth advertising and person to person contact. However, the Company recognizes that some Consultants may find that selling products from small commercial retail outlets may be beneficial. Therefore, Consultants may sell Thrive Life products in small, individually owned retail outlets. Notwithstanding the foregoing, Thrive Life products may not be sold by Consultants in department stores, chain or franchised retail outlets, mass merchandising outlets, or any retail location with two thousand (2,000) square feet or more of retail space (e.g., Costco, Wal-Mart, Target, etc.) Thrive Life retains the right to restrict its products from being sold in any retail location which Thrive Life does not deem acceptable.

### **8.18—Trade Shows, Expositions and Other Sales Forums**

Consultants may display and/or sell Thrive Life products at trade shows and professional expositions. Consultants may not display and/or sell Thrive Life products at swap meets, garage sales, flea markets or Internet auction sites without the prior written consent of the Company. If there is any doubt as to whether any particular venue is appropriate, it is the Consultant's responsibility to contact Thrive Life for clarification and approval.

### **8.19—Conflicts of Interest/Non-solicitation**

Thrive Life Consultants are free to sell other products similar to those offered by Thrive Life as long as the companies that offer them do not market through direct sales or home parties. Thrive Life Consultants are free to participate in other direct sales business ventures or marketing opportunities. During the term of the Agreement and, for a period of six (6) months following the cancellation thereof, a Consultant or former Consultant may not recruit any Thrive Life Consultant or customer that he/she did not personally sponsor, for any other direct sales business. Because direct sales is often conducted over the telephone and via the internet through networks of individuals spanning the U.S. and internationally, any narrow geographic limitation on the scope of this non-solicitation policy would render it ineffective. Therefore, this restriction shall apply to all countries where Thrive Life is officially open for business. The term "recruit" means actual or attempted solicitation, enrollment, encouragement or effort to influence in any way, either directly or through a third party, a Thrive Life Consultant or customer to enroll or participate in another direct sales opportunity. If the Consultant or former Consultant directly or indirectly responds to an inquiry by a Thrive Life Consultant, this also constitutes prohibited recruiting. Consultants may not display Thrive Life products with any other non-Thrive Life products or services. If operating from an approved physical retail location, Thrive Life products must be displayed separately from non-Thrive Life products or services. Consultants may not offer the Thrive Life opportunity or products to prospective or existing

customers or Consultants in conjunction with any non-Thrive Life program, opportunity, product or service. Consultants may not offer any non-Thrive Life opportunity, products or services at any Thrive Life-related meeting, seminar or convention.

## **8.20— Downline Activity Reports**

All Downline Activity Reports and the information contained therein are confidential and constitute proprietary business trade secrets information belonging to Thrive Life. Downline Activity Reports are provided to Consultants in strictest confidence and are made available to Consultants for the sole purpose of assisting Consultants in working with their respective Marketing Organizations in the development of their Thrive Life business. Consultants should use their Downline Activity Reports to manage, motivate and train their Downline Consultants.

The Consultant and Thrive Life agree that, but for this agreement of confidentiality and nondisclosure, Thrive Life would not provide Downline Activity Reports to the Consultant. Accordingly, Consultants shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- 1) Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;
- 2) Use the information to compete with Thrive Life or for any purpose other than promoting his or her Thrive Life business;
- 3) Recruit or solicit any Consultant or customer of Thrive Life listed on any report, or in any manner attempt to influence or induce any Consultant or customer of Thrive Life, to alter their business relationship with Thrive Life;
- 4) Use or disclose to any person, partnership, association, corporation or other entity any information contained in any Downline Activity Report;
- 5) Upon demand by the Company, any current or former Consultant will return the original and all copies of Downline Activity Reports to the Company.

The provisions of this [Section 8.18](#) shall survive the termination of a Consultant's Consultant Agreement with Thrive Life.

## **8.21— 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 Consultant Agreement on file with Thrive Life, or who has had such an Agreement within the preceding six (6) calendar months, within a different line of sponsorship. 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, or other deliberate attempt to circumvent this prohibition on cross-group sponsoring is prohibited. This prohibition shall not restrict the transfer of a Thrive Life business in accordance with the "Sale, Transfer or Assignment of Thrive Life Business" provisions of the Policies.

## **8.22— Errors or Questions**

If a Consultant has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports or charges, the Consultant must notify Thrive Life within sixty (60) days of the date of the purported error or incident in question. Thrive Life will not be responsible for any errors, omissions or problems not reported within sixty (60) days after the occurrence or omission of such.

## **8.23— Excess Inventory Purchases Prohibited**

Consultants are not required to carry inventory of products or sales aids. Consultants who do so may find making retail sales and building a Marketing Organization somewhat easier because of the decreased response time in fulfilling customer orders or in meeting a new Consultant's needs, but doing so is not required by Thrive Life. Each Consultant must make his or her own decision with regard to these matters. To ensure that Consultants are not encumbered with excess inventory that they are unable to sell, such inventory may be returned to Thrive Life upon the Consultant's cancellation or termination pursuant to the "Return of Inventory and Sales Aids by Consultants" provision of the Policies. Thrive Life prohibits the purchase of products in unreasonable amounts solely for the purpose of qualifying for commissions, bonuses or advancement in the Compensation Plan. Consultants may not purchase more inventory than they can reasonably resell or consume, nor may they encourage others to do so.

## **8.24— Right of Publicity**

Consultants authorize Thrive Life to use their name, photograph, personal story and/or likeness in the Company's advertising and/or promotional materials and waive all claims for remuneration for such use.

## **8.25— Governmental Approval or Endorsement**

Federal and state regulatory agencies and/or officials do not approve or endorse any direct selling companies or programs. Therefore, Consultants shall not represent or imply that Thrive Life or its Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

## **8.26— Income Taxes**

Every year, Thrive Life will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each Consultant who is a U.S. resident as required by the Internal Revenue Service. Each Consultant is responsible for paying local, state and federal taxes on any income generated as an independent Consultant. If a Consultant is using an entity to run its Thrive Life business that is tax exempt, the Federal Tax Identification Number must be provided to Thrive Life.

## **8.27— Independent Consultant Status**

Consultants are independent contractors, and are not purchasers of a franchise or a business opportunity. The Agreement between Thrive Life and its Consultants does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Consultant. A Consultant is not and shall not be treated as an employee of Thrive Life for his or her services or for

Federal or State tax, or any other purposes. All Consultants are responsible for paying local, state, and federal taxes due from all compensation earned as a Consultant of the Company. The Consultant has no authority, to bind the Company to any obligation – nor may the Consultant hold itself out as being an employee of (or having the authority express or implied to bind) the Company. Each Consultant shall establish his or her own goals, hours of work and methods of sale of the products.

### **8.28— International Marketing**

Because of critical legal and tax considerations, Thrive Life must limit the resale of Thrive Life products, and the presentation of the Thrive Life business opportunity to prospective customers and Consultants located within the United States. Accordingly, Consultants are only authorized to sell Thrive Life products, and enroll customers or Consultants in the countries in which Thrive Life is authorized to conduct business, as announced in Official Company Materials. No Consultant may sell, give, transfer, import, export or distribute Thrive Life products or sales aids in any unauthorized country. In addition, no Consultant may, in any unauthorized country:

- 1) Conduct sales, enrollment or training meetings;
- 2) Enroll or attempt to enroll potential customers of Consultants; or
- 3) Conduct any other activity for the purpose of selling Thrive Life products, establishing a Marketing Organization, or promoting the Thrive Life opportunity.

### **8.29— Adherence to Laws and Ordinances**

Various federal, state and local laws regulate certain home-based businesses. In most cases these laws/ ordinances are not applicable to Consultants because of the nature of their business. However, Consultants must obey all applicable laws that do apply to them. If a city or county official, for example, tells a Consultant that an ordinance applies to him or her, the Consultant shall be polite and cooperative, and immediately notify Thrive Life of such, and where possible, send a copy of the ordinance to the compliance department of Thrive Life. In many cases there are exceptions to the ordinance that apply to Thrive Life Consultants.

### **8.30— Compliance with Laws and Ethical Standards**

Consultants shall comply with all federal, state and local laws and regulations in the conduct of their businesses. In connection with the operation of a Consultant's Thrive Life business, the violation of any applicable law, or any conduct that is unethical or, in Thrive Life's sole discretion, may tend to damage its reputation or goodwill, shall be grounds for disciplinary action.

### **8.31— One Thrive Life Business per Consultant**

A Consultant may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Thrive Life business. No individual may have, operate or receive compensation from more than one Thrive Life business. Individuals of the same family unit may only have one Thrive Life Consultant position. Separate or additional positions or customer accounts by members in the same family unit is prohibited. A "family unit" is defined as spouses and dependent children living or doing business at the same address.

### **8.32— Actions of Household Members or Affiliated Individuals**

If any member of a Consultant's immediate household engages in any activity which, if performed by the Consultant named on the application, would violate any provision of the Agreement, such activity will be deemed a violation by the Consultant and Thrive Life may take disciplinary action pursuant to the Policies against the named Consultant. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "affiliated individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and Thrive Life may take disciplinary or other appropriate legal action against the entity.

### **8.33—Repackaging and Relabeling Prohibited**

Consultants may not repackage, re-label, refill or alter the labels on any Thrive Life products, information, materials or programs in any way. Thrive Life products must be sold in their original containers only. Such re-labeling or repackaging would likely violate federal and state laws, which could result in severe criminal penalties. You should also be aware that civil liability can arise when, as a consequence of the repackaging or re-labeling of products, the persons using the products suffer any type of injury or their property is damaged.

### **8.34— Requests for Additional Records**

Any request from a Consultant for additional or replacement copies of invoices, applications or other records will require a fee of \$1.00 per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

### **8.35— Roll-up of Marketing Organization**

Upon termination or cancellation of a Consultant, all individuals on the first level of the canceling Consultant shall move into the vacated position.

### **8.36— Sale, Transfer or Assignment of Thrive Life Business**

Although a Thrive Life business is a privately owned, independently operated business, the sale, transfer or assignment of a Thrive Life business is subject to certain limitations. Unless otherwise agreed to in writing, if a Consultant wishes to sell his or her Thrive Life business, the following criteria must be met:

- 1) The Company must approve all transfers or purchases of a Consultant's business.
- 2) Protection of the existing line of sponsorship must always be maintained so that the Thrive Life business continues to be operated in that line of sponsorship;
- 3) A buyer or transferee must become a qualified Thrive Life Consultant.
- 4) Before the sale, transfer or assignment can be finalized and approved by Thrive Life, any debt obligations the selling Consultant has with Thrive Life must be satisfied;
- 5) The selling Consultant 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 a Thrive Life business;
- 6) Prior to offering a Thrive Life business for sale, the selling Consultant must notify Thrive Life's Corporate Offices of his or her intent to sell the Thrive Life business.

### **8.37— Separation of a Thrive Life Business**

Consultants sometimes operate their Thrive 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 Consultants and the Company, Thrive Life may, at its option, terminate the Consultant Agreement and roll-up their entire Marketing Organization pursuant to the “Roll-Up of Marketing Organization” provisions of the Policies. During the pendency of a divorce or entity dissolution, the parties must adopt one of the following methods of operation:

- 1) One of the parties may, with written consent of the other(s), operate the Thrive Life business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Thrive Life to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee; or
- 2) The parties may continue to operate the Thrive Life business jointly, whereupon all compensation paid by Thrive Life will be paid in the joint names of the Consultants or in the name of the entity to be divided as the parties may independently agree between themselves.

If the parties elect neither of the foregoing, Thrive Life will continue to pay commissions to the same individual(s) to whom commissions were paid prior to the filing of the divorce or dissolution proceeding. Under no circumstances will the Marketing Organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Thrive Life split commission and bonus checks between divorcing spouses or members of dissolving entities. Thrive Life will recognize only one Marketing Organization and will issue only one commission check per Thrive 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 within six (6) months following the divorce filing or institution of dissolution proceedings, the Consultant Agreement shall be involuntarily canceled. If a former spouse has completely relinquished all rights in his or her original Thrive Life business, he or she is thereafter free to enroll under any Sponsor of their choosing, and need not wait six (6) months before reapplying. If a former entity affiliate has completely relinquished all rights in his or her original Thrive Life business, he or she must remain inactive for six (6) full calendar months before becoming eligible for a purchase, transfer, assignment or acquisition of any interest in the Thrive Life business or before re-applying. In divorce and entity dissolution cases, the relinquishing party(s) shall have no rights to any Consultants in their former organization or to any former retail customer. They must develop the new business in the same manner as would any other new Consultant.

### **8.38—Transfer Upon Death of a Consultant**

Upon the death of a Consultant, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a Consultant should consult an attorney to assist him or her in the preparation of a will or other

testamentary instrument. Whenever a Thrive 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 Consultant's Marketing Organization provided the following qualifications are met. The successor(s) must:

- 1) Execute a Consultant Agreement;
- 2) Provide an original death certificate and a notarized copy of the will or other instrument establishing the successor's right to the Thrive Life business;
- 3) Comply with terms and provisions of the Agreement;
- 4) Meet all of the qualifications for the deceased Consultant's status; and
- 5) Form a business entity and acquire a Federal Tax Identification Number, if the business is bequeathed to or inherited by joint heirs.

Thrive Life will issue all bonus and commission checks and one IRS Form 1099 to the business entity. The heirs must provide Thrive Life with an address of record to which all bonus and commission checks will be sent.

### **8.39—Transfer upon Incapacitation of a Consultant**

To affect a transfer of a Thrive Life business because of a Consultant's incapacity, the successor must provide the following to Thrive Life:

- 1) A notarized copy of an appointment as trustee;
- 2) A notarized copy of the trust document or other documentation establishing the trustee's right to administer the Thrive Life business; and
- 3) A completed Consultant Agreement executed by the trustee.

The trustee must then:

- 1) Execute a Consultant Agreement;
- 2) Comply with terms and provisions of the Agreement; and
- 3) Meet all of the qualifications for the incapacitated Consultant's status.

### **8.40—Insurance Liability and Risk**

The Consultant agrees to keep in force all liability, business, and vehicle insurance in such terms and amounts as are required by law or is reasonable as prudent business practice. The Consultant understands that while traveling to or from Company related meetings, tastings, events, workshops, or gatherings, the Consultant is doing so as an independent contractor and as a part of his or her own independent business and not in any manner as an employee, or agent of the Company, notwithstanding the fact that his or her attendance may be based in whole or in part by invitation from, or agreement with, the Company to attend. The Consultant assumes all risk and responsibility for such travel.

### **8.41—Selling on Third-party websites or platforms**

It's against policy to sell Thrive Life products on any third-party website, like Amazon or eBay. This protects you as Consultants to be able to maintain the best pricing, and it will also protect the brand.



## SECTION 9— DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

### **9.1—Disciplinary Sanctions**

Violation of the Agreement, these Policies, or any illegal, fraudulent, deceptive or unethical business conduct by a Consultant may result in disciplinary sanctions, at Thrive Life's discretion, that may include, but are not limited to, one or more of the following:

- 1) Issuance of a written warning or admonition;
- 2) Requiring the Consultant to take immediate corrective measures;
- 3) Loss of privileges;
- 4) Loss of rights to one or more bonus and commission checks;
- 5) Thrive Life may withhold from a Consultant all or part of the Consultant's bonuses and commissions during the period that Thrive Life is investigating any conduct allegedly violating the Agreement. If a Consultant's Thrive Life business is terminated for disciplinary reasons, the Consultant will not be entitled to recover any commissions withheld during the investigation period;
- 6) Suspension of the individual's Consultant Agreement, including all rights and privileges thereunder, for one or more pay periods;
- 7) Involuntary cancellation of the Consultant's Consultant Agreement;
- 8) Any other measure expressly allowed within any provision of the Agreement or which Thrive Life deems practical to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Consultant's violation or contractual breach; and
- 9) In situations deemed appropriate by Thrive Life, the Company may institute legal proceedings for monetary and/or equitable relief.

### **9.2— Grievances and Complaints**

When a Consultant has a grievance or complaint with another Consultant regarding any practice or conduct in relationship to their respective Thrive Life businesses, the complaining Consultant should report, in writing, to the Compliance Department at the Company.

### **9.3—Appeals of Sanctions**

Following the issuance of a sanction (other than a suspension pending an investigation), the disciplined Consultant may appeal the sanction to the Company. The Consultant's appeal must be in writing and received by Thrive Life's Compliance Department within fifteen (15) days from the date of Thrive Life's sanction notice. If the appeal is not received by Thrive Life within the fifteen (15) day period, the sanction will be final. The Consultant must submit all supporting documentation with his or her appeal correspondence and specify in full detail the reasons why he or she believes the Company's initial determination was erroneous. If the Consultant files a timely appeal of the sanction, the Company will review and reconsider the cancellation, consider any other appropriate action and notify the Consultant in writing of its decision.

## SECTION 10—INACTIVITY AND CANCELLATION - TERMINATION

### **10.1— Effect of Cancellation and Termination**

So long as a Consultant remains active and complies with the terms of the Consultant Agreement and these Policies, Thrive Life shall pay commissions to such Consultant in accordance with the Compensation Plan. A Consultant's bonuses and commissions constitute the entire consideration for the Consultant's efforts in generating sales and all activities related to generating sales (including, but not limited to, building a Marketing Organization). Following a Consultant's non-continuation of his or her Consultant Agreement, cancellation for inactivity, or voluntary or involuntary cancellation (or termination) of his or her Consultant Agreement (all of these methods are collectively referred to as "Cancellation"), the former Consultant shall have no right, title, claim or interest to the Downline Marketing Organization which he or she operated, or any commission or bonus from the sales generated by the Marketing Organization. Consultants waive any and all rights, including, but not limited to, property rights, in the Marketing Organization which they may have had. Following a Consultant's cancellation of his or her Consultant Agreement, the former Consultant shall not hold himself or herself out as a Thrive Life Consultant and shall not have the right to sell Thrive Life products. A Consultant whose Consultant 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).

### **10.2— Cancellation Due to Inactivity**

It is the Consultant's responsibility to lead his or her Marketing Organization with the proper example in personal production of sales to end consumers. Without this proper example and leadership, the Consultant will lose his or her right to receive commissions from sales generated through his or her Marketing Organization. Therefore, Consultants who personally produce less than the required volume as specified in the Thrive Life Compensation Plan for any pay period will not receive a commission for the sales generated through their Marketing Organization for that pay period. If a Consultant has not fulfilled his or her personal sales requirements for a period of six (6) consecutive calendar months (and thus becomes "Inactive"), his or her Consultant Agreement shall be cancelled for inactivity on the day following the last day of the sixth month of inactivity. Written confirmation of the cancellation will not be provided by Thrive Life. A Consultant whose business agreement has been thus cancelled may reapply as a Consultant at any time if desired, following the reapplication process as outlined in section 8.13 (the Consultant must enroll with a new Consultant ID and purchase a new starter kit, and will not have any previous customers or downline Consultants tied to them).

### **10.3— Involuntary Cancellation (Termination)**

A Consultant's violation of any of the terms of the Agreement, may result in any of the sanctions listed in the Agreement, including, but not limited to, the involuntary cancellation of his or her Consultant Agreement. Cancellation shall be effective on the date on which written notice is mailed, faxed or delivered via an express courier, addressed to the Consultant's last known address or that of his or her attorney, or when the Consultant receives actual notice of cancellation, whichever occurs first. Thrive Life reserves the right to withhold and/or permanently retain funds and prevent any roll-up depending on the individual circumstances surrounding each case.

## 10.4— Voluntary Cancellation

A Consultant has a right to cancel at any time, regardless of reason (upon thirty (30) days' notice to the Company). Cancellation must be submitted in writing to the Company at its principal business address. The written notice must include the Consultant's signature, printed name, address and Consultant Identification Number. If a canceling Consultant is also on the Delivery Service (as further defined herein below), his or her Delivery Service will also be canceled. If he or she wishes to remain a Delivery Service, he or she must contact Thrive Life's Customer Service Department to establish a customer account.

## 10.5— Non-continuation

A Consultant may also cancel his or her Consultant Agreement by failing to pay the material and subscription fee on the Agreement on its anniversary date.

## 10.6— Website Policies

Consultant pages must use the Thrive Life header imagery issued by Thrive Life. The site must be reviewed by Thrive Life for compliance and branding before it goes live to [compliance@thrive.life](mailto:compliance@thrive.life). Any revisions or additions to pages also must be approved.

## SECTION 11—DEFINITIONS

1. “**Thrive Life**” means Thrive Life, LLC.
2. “**Active Consultant**” means a Consultant who satisfies the minimum volume requirements, as set forth in the Thrive Life Compensation Plan.
3. “**Agreement**” means the contract between the Company and each Consultant and includes the Consultant Agreement, the Thrive Life Policies and Procedures, and the Thrive Life Compensation Plan, all in their current form, and each may be amended from time to time at the sole discretion of Thrive Life.
4. “**Commissionable Products/Services**” means all Thrive Life products and services on which commissions and bonuses are paid. Sales aids, clearance items, discontinued items, and apparel are not Commissionable Products.
5. “**Company**” means Thrive Life, LLC.
6. “**Consultant Website**” Official websites provided by Thrive Life for Consultants to collect online orders. All Consultant websites are a sub-level domain of the [thrive.life](http://thrive.life) URL.
7. “**Downline.**” See “Marketing Organization.”
8. “**Downline Activity Report**” means a monthly report generated by Thrive Life that provides critical data relating to the identities of Consultants, sales information and enrollment activity of each Consultant's Marketing Organization. This report contains confidential and trade secret information which is proprietary to Thrive Life.
9. “**Team Volume**” means the commissionable value of Thrive Life products generated by a Consultant's Marketing Organization. Team Volume includes the Personal Volume of the subject

Consultant and 3 levels of Consultants below him or her. (Starter Kits and sales aids are not included in Team Volume.)

10. “**Immediate Household**” means heads of household and dependent family members residing in the same house.
11. “**Level**” means the layers of Downline Consultants in a particular Consultant’s Marketing Organization. This term refers to the relationship of a Consultant relative to a particular upline Consultant, determined by the number of Consultants between them who are related by sponsorship. For example, if A sponsors B, who sponsors C, who sponsors D, then D is on A’s third level.
12. “**Line**” also called “Leg,” means a part of a Consultant’s Downline that starts with someone sponsored by a Consultant and continues below that sponsorship.
13. “**Marketing Organization**” means Consultants below a particular Consultant.
14. “**Private Websites**” Any website that is used to promote Thrive Life products that is not a Consultant website as defined above. This includes private blogs and social media pages.
15. “**Delivery Service Customer**” means a customer who has signed up on and orders through the Delivery Service.
16. “**Delivery**” means one order made through the Delivery Service
17. “**Delivery Service**” means recurring delivery program where an individual can choose which products they want and the frequency of their deliveries.
18. “**Official Thrive Life Materials**” means literature, audio or video tapes, and other materials developed, printed, published and/or distributed by Thrive Life to Consultants.
19. “**Personal Volume**” means the commissionable value of services and products sold in a volume period by the Company to a Consultant.
20. “**Qualified Rank**” means the current rank of a Consultant, as determined by the Thrive Life Compensation Plan, for any volume period. To be considered “Qualified” relative to a particular rank, a Consultant must meet the criteria set forth in the Thrive Life Compensation Plan for his or her respective rank.
21. “**Resaleable**” means products and sales aids that have satisfied each of the following elements: (1) they are unopened and unused; (2) packaging and labeling has not been altered or damaged; (3) the products and packaging are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; (4) products are returned to Thrive Life within one (1) year from the date of purchase; (5) the products’ expiration date has not passed. Any products that were identified at the time of sale as non-returnable, discontinued, or as a seasonal item, shall not be considered Resalable.