

TrūAura™

POLICIES & PROCEDURES

1. Policies and Compensation Plan Incorporated into Consultant Agreement; Amendments. These Policies and Procedures, in their present form and as amended at the sole discretion of TrūAura (hereafter “TrūAura” or the “Company”), are incorporated into the TrūAura Independent Consultant Agreement. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the TrūAura Independent Consultant Agreement, the Policies & Procedures, the TrūAura Compensation Plan, and the TrūAura Business Entity Addendum (the Business Entity Addendum is only applicable to Consultants who enroll as a business entity). Independent Consultants shall be referred to herein as “Consultants” or as “Independent Consultants”. The Company reserves the right to amend the Agreement at its discretion. Amendments shall be effective thirty (30) days after notice and publication of the amended provisions in the Consultant’s Back-Office, but amended policies shall not apply retroactively to conduct that occurred prior to the effective date of the amendment. A Consultant may cancel his/her TrūAura business at any time and for any reason.

2. Policies and Provisions Severable. If any provision of the Agreement, in its current form or as amended, 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 a Consultant against TrūAura shall not constitute a defense to TrūAura’s enforcement of any term or provision of the Agreement.

3. Term and Renewal of a TrūAura Business. The initial term of this Agreement is one (1) month. Thereafter, the term of the Agreement is month-to-month and the Agreement automatically renews for an additional month upon the Consultant’s payment of his/her monthly TrūAura back-office and technology suite fee. A Consultant’s failure to pay his/her back-office and technology suite fee will result in the suspension of his/her TrūAura business, suspension of his/her compensation, his/her technology suite, and his/her access to the Back Office until all delinquent fees are paid in full. If the back-office and technology suite fee is not paid for three consecutive months, the Consultant’s TrūAura business account will be cancelled, and all unpaid compensation forfeited.

Monthly renewal fees are optional in North Dakota.

4. Independent Contractor Relationship. Consultants are independent contractors and not employees of TrūAura. In all written, graphic, or digital material used for TrūAura business purposes, Consultants must represent themselves as an “Independent TrūAura™ Consultant.” In verbal conversations with prospective Consultants and customers, Consultants must introduce themselves as an “Independent TrūAura Consultant.” Consultants shall not lead anyone to believe that they are employees of TrūAura.

5. Foreign Residents. Consultants at the time of application must reside in the United States, its territories, and/or possessions, and have a valid US address. At this time, residents of Canada, Mexico, and/or military and diplomatic posts in foreign countries are not currently eligible to enroll as Consultants. Residents with APO, FPO, DPO or similar addresses, although considered US addresses, are not eligible to enroll. Consultants shall not sponsor other Consultants who are residents of foreign countries or those living in/on military and diplomatic posts in foreign countries.

6. Address Forwarding. Address forwarding services shall not be used.

7. General Conduct. Consultants shall safeguard and promote the good reputation of TrūAura 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. Consultants 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 policy, and the following list is not a limitation on the standards of conduct to which Consultants must adhere pursuant to this policy, the following standards specifically apply to Consultants’ activities:

- Deceptive conduct is always prohibited. Consultants must ensure that their statements are truthful, fair, accurate, and are not misleading;
- If a Consultant’s TrūAura business is cancelled for any reason, the Consultant must discontinue using the TrūAura name, and all other TrūAura intellectual property, and all derivatives of such intellectual property, in postings on all Social

Media, websites, or other promotional material.

- Consultants may not represent or imply that any state or federal government official, agency, or body has approved or endorses TrūAura, its program, or products.
- Consultants must not engage in any illegal, fraudulent, deceptive, or manipulative conduct in the course of 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.
- At no time will a currently-enrolled Consultant in good standing enroll as a TLC Customer, and similarly, at no time will a currently-enrolled TLC Customer in good standing enroll as a Consultant. Either will result in the immediate cancellation and termination of both Agreements, retroactive to the latter enrollment date. Any compensation, including but not limited to commissions, discounts, bonuses, earned or paid during that period must be repaid to TrūAura within 30 days. Final adjudication, determination, and disposition of this event will be TrūAura's alone.
- At no time will a currently-enrolled Consultant in good standing reside or share with a TLC customer the same address or payment information, and similarly, at no time will a currently-enrolled TLC Customer in good standing reside or share with a Consultant in good standing the same address or payment information. Either will result in the immediate cancellation and termination of both Agreements, retroactive to the latter enrollment date. Any compensation, including but not limited to commissions, discounts, bonuses, earned or paid during that period must be repaid to TrūAura within 30 days. Final adjudication, determination, and disposition of this event will be TrūAura's alone.
- Consultants must never engage in activities that will be detrimental to TrūAura. Final adjudication, determination, and disposition of detrimental conduct and/or activities will be TrūAura's alone.

8. Social Media. In addition to meeting all other requirements specified in these Policies, should a Consultant utilize any form of social media in connection with their TrūAura business, including but not limited to blogs, Facebook, Twitter, Instagram, Pinterest, LinkedIn, or YouTube, the Consultant agrees to each of the following:

- Consultants are responsible for the content of all material that they produce and all of their postings on any social media platform, as well as *all* postings on any social media account or platform that they own, operate, or control.
- Consultants shall not make any social media postings, or link to or from any postings or other material, that reflects negatively on TrūAura, any of its products, TrūAura's owners, management, or employees, or other TrūAura Consultants.
- Consultants 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 that is in violation of any intellectual property rights of the Company or any third party.
- No product sales or enrollments may occur on or through any social media account or platform. Product sales and Consultant and customer enrollments may only be processed through the Consultant's TrūAura replicated website, TrūAura's corporate website or an official TrūAura corporate social media page.
- No price advertising or discounts may be advertised by Consultants on any social media platform unless the Consultant uses content or images received from the Company.
- It is each Consultant's responsibility to follow the social media platform's terms of use.
- Any social media account that is directly or indirectly operated or controlled by a Consultant that is used to discuss or promote TrūAura's products, or the TrūAura opportunity may not link to any website, social media account or platform, or site of any other nature that promotes the products, services, or business program of any direct selling company other than TrūAura.
- During the term of this Agreement and for a period of twelve (12) calendar months thereafter, a Consultant may not use any social media account through which he/she discusses or promotes, or discussed or promoted, the TrūAura business or TrūAura's products to directly or indirectly solicit anyone for another direct selling, party plan, multilevel, or network marketing program (collectively and hereafter, "direct selling").
- A Consultant shall not take any action on any social media account or platform on which he/she discusses or presents, or has discussed or presented, TrūAura's products or the TrūAura opportunity that may reasonably be foreseen to draw an inquiry from other Consultants relating to the Consultant's other direct selling business activities, services or products. Violation of this provision shall constitute a violation of the nonsolicitation provision in Policy 17.
- A Consultant may post or "pin" photographs of TrūAura products on a social media site, but only photos that are provided by TrūAura and downloaded from the Consultant's Back-Office may be used.
- If a Consultant creates a business or group page or account on any social media platform to promote his/her TrūAura

business or that relates to TrūAura and/or its products or opportunity, the page may not be used to promote or advertise the products, services, or opportunity of any other direct selling business. If the Consultant's TrūAura business is cancelled for any reason or if the Consultant becomes inactive, the Consultant must deactivate the account and/or page.

- Consultants may never use the word "official" in any social media account title containing the word or words "TrūAura", "TruAura", "Truaura", "TrūAuraBeauty", "TruAuraBeauty", or "TruauraBeauty".
- Consultants must qualify the account administrator with the use of the word "by" in any social media account title containing the word or words "TrūAura", "TruAura", "Truaura", "TrūAuraBeauty", "TruAuraBeauty", or "TruauraBeauty", for instance "TruAura Beauty by @John".
- Consultants agree to edit, adjust, change, modify, delete, deactivate, or remove any social media posts (including by not limited to tweets) and/or accounts within three (3) days of any request by TrūAura to do so.
- Final adjudication, determination, and disposition of any and all social media activities will be TrūAura's alone.

9. Consultant Web Sites and Mobile Applications. Consultants may not create their own websites or mobile applications to promote their TrūAura businesses or TrūAura's products and services. Official TrūAura supplied replicated website, and Company supplied mobile applications (if applicable) are the only online forums through which TrūAura products may be sold and new TrūAura Consultant or customer enrollments may be transacted (prohibited online forums include, but are not limited to, online auctions, online classified listings websites, and social media accounts).

10. Consultant Created Sales Tools. For purposes of this policy, the term "Sales Tool" means sales aids, advertising materials, promotional materials, and marketing methods, regardless of format and method of dissemination. To ensure that any Sales Tools that Consultants create or use a) are not deceptive, b) contain only substantiated claims, and c) properly identify TrūAura's trademarks and copyrights, all Sales Tools that a Consultant creates or has created on his/her behalf must be submitted to the Company for review. Such Sales Tools may only be used or displayed to the public if the Consultant receives written approval from the Company. Consultants who receive written authorization from TrūAura to produce and publish Sales Tools may make approved Sales Tools available to other Consultants free of charge if they wish, but may not sell the Sales Tools to other TrūAura Consultants. Any sale or attempt to sell Sales Tools to another Consultant will result in the termination of the offending Consultant's TrūAura business. TrūAura reserves the right to rescind approval for any previously approved Sales Tool(s), **and Consultants waive all claims against TrūAura, its officers, directors, owners, employees, and agents for damages, expenses, costs, or remuneration of any other nature arising from or relating to such rescission.**

Approved Sales Tools will be posted in the Resource Library section of Consultants' Back-Offices, and will be available for all Consultants' use free of charge. **A Consultant who has created an approved Sales Tool grants TrūAura and other Independent Consultants an irrevocable and royalty-free license to use the Sales Tools for TrūAura business purposes, and waives all claims, including but not limited to intellectual property rights claims, and/or claims for remuneration against TrūAura, its officers, directors, owners, agents, and other Independent Consultants for the posting and/or use of the Sales Tools.**

11. Trademarks and Copyrights. The name "TrūAura" and other names or logos as may be adopted by the Company are proprietary trade names, trademarks and service marks of TrūAura. The Company grants Consultants a limited license to use its trademarks and trade names in promotional media for so long as the Consultant's Agreement is in effect. Upon cancellation of a Consultant's Agreement for any reason, the license shall expire and the Consultant shall immediately discontinue all use of the Company's trademarks and trade names. Under no circumstances may a Consultant use any of TrūAura's trademarks, logos, or trade names in any email address, website domain name, social media handle, social media name or address, or in any unapproved Sales Tools.

TrūAura commonly produces live and recorded events as well as webinars and telephone conference calls. During these events Company executives, Consultants, and guests appear and speak. The content of such events is copyrighted material that is owned exclusively by the Company. Consultants may not record company events or functions for any reason, whether such 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 materials are copyrighted. Consultants shall not copy any such materials for their personal or business use without the Company's prior written approval. Consultants have approval to download, print, and/or copy Sales Tools obtained from the Resource Library provided no impermissible alterations are made to such materials and all copyright and trademark notifications are preserved.

12. Sales Outlets. To support the Company’s direct selling distribution channel and to protect the independent contractor relationship, Consultants agree that they will not sell TrūAura products in any retail, wholesale, warehouse, or discount establishment, or any online auction or buy-sell site (including but not limited to Amazon, eBay and craigslist) without prior written approval from TrūAura. Notwithstanding the foregoing, Consultants may display and sell TrūAura products at professional trade shows.

13. Service Related Establishments. Consultants may promote and sell TrūAura products in service-related establishments. 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. TrūAura 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.

14. Change of Sponsor. The only means by which a Consultant may legitimately change his/her sponsor is by voluntarily canceling his/her TrūAura Consultant in writing and remaining inactive for six (6) full calendar months. Following the six (6) full calendar month period of inactivity, the former Consultant may reapply under a new sponsor. The Consultant will lose all rights to his/her former downline organization upon his/her cancellation.

In cases wherein a Consultant improperly changes his/her sponsor, TrūAura reserves the sole and exclusive right to determine the final disposition of the downline organization that was developed by the Consultant in his/her second line of sponsorship. **CONSULTANTS WAIVE ANY AND ALL CLAIMS AGAINST TRUAURA, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM TRUAURA’S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW A CONSULTANT WHO HAS IMPROPERLY CHANGED HIS/HER SPONSOR.**

15. Product Claims. Consultants must not make claims, including but not limited to testimonials, about TrūAura’s products or services that are not contained in official TrūAura literature or posted on TrūAura’s official website. Under no circumstances shall any Consultant state or imply that any TrūAura product is useful in the diagnosis, treatment, cure, or prevention of any disease, illness, injury, or other medical condition. Consultants agree that they shall advise their customers who have pre-existing skin conditions to consult with their health care providers before using any TrūAura skincare product.

16. Income Claims. When presenting or discussing the TrūAura opportunity or Compensation Plan to a prospective Consultant, Consultants may not make income projections, income claims, income testimonials, or disclose their TrūAura income (including, but not limited to, the showing of checks, copies of checks, bank statements, or tax records), or the income of any other TrūAura Consultant. Nor may Consultants make “lifestyle” income claims. A “lifestyle” income claim is a statement or depiction that infers or states that the Consultant is able to enjoy a luxurious or successful lifestyle due to the income they earn from their TrūAura business. Examples of prohibited lifestyle claims include, but are not limited to, representations (either through audio or visual medium) that a Consultant was able to quit his/her job, acquire expensive or luxury material possessions, or travel to exotic or expensive destinations.

17. Compensation Plan and Program Claims. When presenting or discussing the TrūAura compensation plan, you must make it clear to prospects that financial success in TrūAura 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:

- It’s a turnkey system.
- The system will do the work for you.
- Just get in and your downline will build through spillover.
- Just join and I’ll build your downline for you.
- The Company does all the work for you.
- You don’t have to sell anything.
- All you have to do is buy your products every month.
- All you have to do is build a large downline and then just sit back.

The above are just examples of improper representations about the compensation plan and the Company’s program. It is

important that you do not make these, or any other representations, that could lead a prospect to believe that they can be successful as a Consultant without commitment, effort, and sales skill.

18. Media Inquiries. Consultants must not interact with the media regarding the TrūAura business or products. All inquiries from the media, including radio, television, print, online, or any other medium, shall be directed to TrūAura's Marketing Department.

19. Nonsolicitation. TrūAura Consultants are free to participate in other direct selling programs. However, during the term of this Agreement and for one (1) year thereafter, with the exception of a Consultant's personally sponsored downline Consultants, a Consultant may not directly or indirectly recruit other TrūAura Consultants for any other direct selling 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 TrūAura Consultant to enroll or participate in another direct selling opportunity. This conduct constitutes recruiting even if the Consultant's actions are in response to an inquiry made by another Consultant or customer.

If a Consultant is engaged in another direct selling program or business, it is the responsibility of the Consultant to ensure that his or her TrūAura business is operated entirely separate and apart from all other businesses and/or direct selling programs. To this end, the Consultant must not:

- Display TrūAura promotional materials, sales aids, or products with or in the same location as, any non-TrūAura promotional material or sales aids, products or services. (With the exception of group or business pages used to promote TrūAura products or opportunity, Consultant's social media accounts are exempt from this policy.)
- Offer the TrūAura opportunity, products or services to prospective or existing customers or Consultants in conjunction with any non-TrūAura program, opportunity or products. (With the exception of group or business pages used to promote TrūAura products or opportunity, Consultant's social media accounts are exempt from this policy.)
- Offer, discuss, or display any non-TrūAura opportunity, products, services or opportunity at any TrūAura-related home party, show, meeting, seminar, convention, webinar, teleconference, or other function.

20. Handling Personal Information. If a Consultant receives Personal Information from or about a prospective Consultant or customer, it is the Consultant's responsibility to maintain the security of such information and to destroy it when no longer needed; a Consultant should shred or irreversibly delete the Personal Information of others as soon as the Consultant no longer needs it. Personal Information is information that identifies, or permits a person or entity to contact, an individual. It includes an individual's name, date of birth, address, email address, phone number, credit card information, social security or tax identification number and other information associated with these details.

21. Confidential Information. "Confidential Information" includes, but is not limited to, the identities, contact information, and/or sales information relating to TrūAura's Consultants and/or customers: (a) that is contained in or derived from any Consultants' respective Back-Office; (b) that is derived from any reports issued by TrūAura to Consultants to assist them in operating and managing their TrūAura business; and/or (c) to which a Consultant would not have access or would not have acquired but for his/her affiliation with TrūAura. Confidential Information constitutes proprietary business trade secrets belonging exclusively to TrūAura and is provided to Consultants in strict confidence. Confidential Information shall not be directly or indirectly disclosed to any third party nor used for any purpose other than Consultant's use in building and managing his/her Independent TrūAura business.

22. Product Inventory & Bonus Buying. Consultants are not required to carry an inventory of TrūAura products for resale. All products are direct shipped from the Company to the customer. In addition, bonus buying is strictly prohibited. Bonus buying is the purchase of 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.

23. Limitations on Consultant and Household Businesses. Consultants may own, operate, control, or have an interest in, only one TrūAura business, and there may be only one TrūAura 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. There may be no more than one TrūAura business per household.

24. Actions of Household Members. If a household family member of a Consultant engages in conduct that would be a violation of the Agreement, the conduct of the household family member may be imputed to the Consultant.

25. Business Entities as Consultants. Business Entities may enroll as TrūAura Consultants by completing the Consultant Application and Agreement and submitting a Business Entity Addendum to the Company. “Business Entity” means a corporation, partnership, limited liability company, trust or other entity that owns or operates a TrūAura independent business. An “Affiliated Party” is an individual, partnership, trust, limited liability company, or other entity that has an ownership interest in, or management responsibility for, a Business Entity.

If a Business Entity enrolls as a Consultant, the Business Entity and each Affiliated Party must comply with the Agreement. If a Business Entity and/or any Affiliated Party violates the Agreement, TrūAura may take disciplinary action against the Business Entity and/or against any or all of the Affiliated Parties.

26. Tampering With Product Packaging. TrūAura products must be sold in their original packaging; Consultants shall not alter the original packaging or labeling.

27. Negative Comments. Complaints and concerns about TrūAura should be directed to Customer Service. Consultants must not disparage, demean, or make negative remarks to third parties or other Consultants about TrūAura, its owners, officers, directors, management, other TrūAura Consultants, the Marketing and Compensation plan, or TrūAura’s directors, officers, or employees. Disputes or disagreements between any Consultant and TrūAura shall be resolved through the dispute resolution process, and the Company and Consultants agree specifically not to demean, discredit, or criticize one another on the Internet or any other public forum.

28. Sales Receipts. Consultants must provide their retail customers that purchase merchandise directly from the Consultant with **two (2) copies** of an official TrūAura sales receipt at the time of the sale and advise them of the three (3) day right to rescind the transaction, which is set forth on the receipt. Consultants must maintain all retail sales receipts for a period of two (2) years and furnish them to TrūAura at the Company’s request. Sales receipts can be downloaded in PDF format from the Consultant’s Back Office. Retail customers who purchase products from a Consultant’s Replicated Website or via the official TrūAura mobile app 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.

29. 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 TrūAura 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 Consultants who received bonuses and commissions on the sales of the refunded products.

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

30. Return of Merchandise and Sales Aids by Consultants Upon Cancellation or Termination. Upon cancellation or termination of a Consultant’s Agreement, the Consultant may return products and Sales Tools that he or she personally purchased from TrūAura within twelve (12) months prior to the date of cancellation (the one-year limitation shall not apply to residents of Maryland, Massachusetts, Wyoming and Puerto Rico) so long as the goods are in currently marketable condition. The goods must be returned within thirty (30) days from the date of the Consultant’s cancellation or termination, at the Consultant’s expense. **Consultants must call the Business Center for authorization in order to return any product(s).** Upon the Company’s receipt of returned goods and confirmation that they are in currently marketable condition, the Consultant will be reimbursed 90% of the net cost of the original purchase price(s). Shipping and handling charges will not 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 nonreturnable, closeout, discontinued, limited edition, or as a seasonal item, or which has passed its commercially reasonable usable or shelf-life, is not in currently marketable condition. Back-office and technology suite fees are not refundable except as may be required under applicable state law.

31. Satisfaction Promise. TrūAura offers a money back promise on products returned within thirty (30) days from the

date of sale, less a 10% restocking fee, and less shipping and handling and their applicable taxes. Products shipped directly to the customer by the Company must be returned to the Company and a refund will be issued to the customer by the Company. Products delivered to the customer by a Consultant must be returned to the selling Consultant, and it shall be the responsibility of the Consultant to issue the refund to his/her customer. **Consultants must call the Business Center for authorization in order to return any product(s).** Within thirty (30) days of the date of the sale to the customer, the Consultant will return the product(s) from the customer along with a sales receipt for a replacement item for the same or similar item of equal or lesser value. This product satisfaction promise does not apply to products damaged by abuse or misuse. Shipping and handling costs and their applicable taxes are not refundable or creditable. Returns must be sent with a copy of the sales receipt directly to Sku2u, ATTN: TrūAura Returns, 14401 Sovereign Rd #101, Fort Worth, TX 76155. The expenses of returning items to TrūAura will not be refunded or credited. Consultants shall disclose the terms of the satisfaction promise to his/her customers at the time of sale and shall also point out this satisfaction promise information on the sales receipt and product literature.

If a Consultant returns more than \$500 worth of products purchased for his/her own use for a refund in any twelve (12) consecutive month period, the request will constitute the Consultant's voluntary cancellation of his/her Consultant Agreement, and the refund will be processed as an inventory repurchase and the Consultant's TrūAura business will be cancelled.

32. Montana Residents. A Montana resident may cancel his or her Consultant Agreement within fifteen (15) days from the date of enrollment, and may return his or her sales kit (at his or her expense) within such time period and is entitled to a full refund for the sales kit and for any other consideration he/she paid in such time period to participate in the program.

33. Disciplinary Sanctions. Violation of the Agreement, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by a Consultant that the Company reasonably believes may damage its reputation or goodwill, may result in the suspension or termination of the Consultant's TrūAura business, and/or any other disciplinary measure that TrūAura deems appropriate to address the misconduct. In situations deemed appropriate by TrūAura, the Company may institute legal proceedings for monetary and/or equitable relief.

34. Indemnification. Consultants agree to indemnify TrūAura for any and all costs, expenses, consumer reimbursements, fines, sanctions, damages, settlements or payments of any other nature that TrūAura incurs resulting from or relating to any act or omission by Consultant that is illegal, fraudulent, deceptive, negligent, unethical, or in violation of the Agreement. TrūAura may elect to exercise its indemnification rights through withholding any compensation due the Consultant. This right of setoff shall not constitute TrūAura's exclusive means of recovering or collecting funds due TrūAura pursuant to its right to indemnification.

35. Effect of Cancellation. A Consultant whose business is cancelled for any reason will lose all Consultant rights, benefits and privileges. This includes the right to represent yourself as an Independent TrūAura Consultant, to sell TrūAura 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 Consultant and the Consultant's former downline sales organization. There is no whole or partial refund for tangible sales kits that are not currently marketable, back-office and technology suite fees, or renewal fees if a Consultant's business is cancelled. The former Consultant's downline sales organization shall be compressed as described in Policy 39 below.

36. Voluntary Cancellation. A participant in this direct selling plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company at **TrūAura, ATTN: Business Center, 4145 Belt Line Road, STE 212-352, Addison, Texas 75001**. The written notice must include the Consultant's signature, printed name, address, and Consultant I.D. Number. If a Consultant is also on the Consultant Doorstep Delivery program, the Consultant's Doorstep Delivery program order will also be canceled simultaneously. A Consultant may also voluntarily cancel his/her TrūAura business by withdrawing consent to contract electronically.

37. Non-Payment of Monthly Fees. A Consultant's failure to pay his/her back-office and technology suite fee will result in the suspension of his/her TrūAura business, his/her technology suite, and his/her access to the Back Office until all delinquent fees are paid in full. If the back-office and technology suite fee is not paid for three consecutive months, the Consultant's TrūAura Agreement and TrūAura business will be cancelled.

38. Cancellation for Inactivity. If a Consultant fails to generate a minimum of \$1,000 PV in any consecutive 12-month period, his/her Consultant Agreement and TrūAura business will be cancelled for inactivity.

39. Compression of Downline. When a vacancy occurs in a downline sales organization due to the termination of a Consultant's Consultant Agreement, the downline sales organization of the terminated Consultant may be compressed up to the Sponsor of the cancelled/terminated Consultant as provided in this Policy 39.

- **Compression (General).** When a vacancy occurs in a downline sales organization due to the termination of a TrūAura Consultant at the Title of Executive Manager or lower, each Consultant in the first level immediately below the terminated Consultant on the date of the cancellation will be moved to the first level ("front line") of the terminated Consultant's sponsor. For example, if A sponsors B, and B sponsors C1, C2, and C3, if B terminates her business, C1, C2, and C3 will compress up to A and become part of A's first level.
- **Compression (Director or Higher).** If the terminated Consultant was paid-as a Director or higher in each of the four months immediately preceding the date of the termination (whether voluntarily or involuntarily), the former Consultant's downline sales organization will be compressed up (as described above) only under one of the following conditions:
 - If the former Consultant's Sponsor has been paid-as a Director or higher at least once in the four full months preceding the termination date, then the downline sales organization will immediately be compressed up as described above.
 - If the Sponsor has not been paid-as a Director or higher at least once in the four full months preceding the termination date, then the Sponsor will be given the following six months to be paid-as a Director or higher at least twice in the said six-month period. If the Sponsor qualifies as a paid-as Director or higher for the first time during such six-month period in the last month of the six-month period, then the Sponsor will be given the following month to again qualify as a Director or higher (to meet the 2 months of being paid-as Director or higher).
 - If the Sponsor qualifies under one of the above conditions, then the downline sales organization of the canceled Consultant will be compressed up upon the completion of the qualifications, but no retroactive commissions or bonuses will be paid. If the Sponsor does not qualify under these conditions, then the position of the canceled Consultant will remain permanently vacant.

If the terminated Consultant was paid as a Director or higher in three or fewer months of the four-month period immediately preceding the date of the termination (whether voluntary or involuntary), the former Consultant's downline sales organization shall be compressed up to her/his Sponsor as set forth above under "Compression (General)".

40. Re-Enrollment Policy. If a Consultant's Consultant Agreement is terminated or cancelled, the former Consultant may re-enroll under her/his original Sponsor at any time, subject to Company approval. If the request is approved, the former Consultant will be re-enrolled under her/his original Sponsor, provided he/she completes a new Consultant Agreement and purchases a new Consultant Business Kit. The re-enrolled Consultant's former downline sales organization will not be enrolled under her/him; she/he will start out as a new Consultant.

If a former Consultant wishes to re-enroll under a Sponsor other than her/his original Sponsor, the former Consultant must wait a minimum of six (6) months after the cancellation of their previous Consultant Agreement before applying for reinstatement. Such a former Consultant will be required to complete a new Consultant Agreement and purchase a new Consultant Business Kit just as any other new Consultant. The re-enrolled Consultant's former downline sales organization will not be enrolled under her/him; she/he will start out as a new Consultant.

The Company reserves the right to refuse a former Consultant's request for re-enrollment under this Policy 40 at its sole discretion.

41. Business Transfers. Consultants in good standing who wish to sell or transfer their businesses must receive TrūAura's prior written approval before the business may be transferred. Requests to transfer a business must be submitted in writing to the Compliance Department at businesscenter@truaaurabeauty.com. It is within TrūAura's discretion whether to allow a business sale or transfer, but such authorization shall not be unreasonably withheld. However, no business that is on disciplinary probation, suspension, or under disciplinary investigation may be transferred unless and until the disciplinary matter is resolved. In order to transfer a TrūAura business to a third party, the Consultant must submit sufficient information regarding the proposed transferee to TrūAura to permit the Company to investigate whether the proposed transferee will reasonably be able to successfully operate the business at the same level as prior to the transfer. If the Company determines

that the proposed transferee is not qualified or capable of successfully operating the business, it reserves the right to deny the transfer request at its sole discretion. In addition, the Consultant must offer TrūAura the right of first refusal to purchase the business on the same terms as negotiated with the proposed third-party transferee. The Company shall have ten (10) days to exercise its right of first refusal. The Company's failure to exercise this right of first refusal shall not be deemed its approval of the proposed transaction to the third party.

42. Transfer Upon a Consultant's Death. A Consultant may leave his/her TrūAura business to his/her heirs, subject to the approval by the Company of the recipient of the business. Upon the death of a Consultant, the executor of the deceased Consultant's estate shall provide the Company with suitable evidence of his or her appointment as executor and the proposed disposition of the deceased Consultant's TrūAura business. The subject TrūAura business will not be transferred to the proposed heir (or heirs) without the approval of the Company, which approval shall not be unreasonably withheld. If the Company approves the transfer of the business to an heir or heirs, the heir or heirs must also execute and submit to the Company a TrūAura Consultant Agreement within thirty (30) days from the date on which the business is transferred by the estate to the beneficiary or the business will be cancelled. Because TrūAura cannot divide commissions among multiple heirs or transferees, if more than one (1) heir is the recipient of the business, they must form a business entity (corporation, LLC, partnership, etc.), and TrūAura will transfer the business and issue commissions to the business entity.

43. Business Distribution Upon Divorce. TrūAura 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 the spouse who formerly was primarily responsible for the operation of the business prior to the divorce. If the business is awarded to the other spouse, the Consultant Agreement may be terminated at the sole discretion of the Company. Thereafter, TrūAura will recognize as the owner of the business the former spouse who is awarded the business pursuant to a legally binding settlement agreement or decree of the court that is in accord with the requirements of this Policy 43. The former spouse who receives the TrūAura business must also execute and submit a TrūAura Consultant Agreement within thirty (30) days from the date on which the divorce becomes final or the business will be cancelled.

44. Dissolution of a Business Entity. TrūAura 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 TrūAura business dissolves, the business may be transferred to one (1) or more of the owners of the dissolving entity, subject to approval by the Company, which approval shall not be unreasonably withheld. If the Company approves the transfer, the TrūAura 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 recipient of the TrūAura business must execute and submit a TrūAura Consultant Agreement to the Company within thirty (30) days from the date of the dissolution of the business entity or the TrūAura business will be cancelled.

45. Assignment and Delegation by TrūAura. TrūAura shall not assign its rights in the Agreement of any individual Consultant to any third party without the written consent of the Consultant. Notwithstanding the foregoing, if the assets of TrūAura, or a controlling ownership interest in TrūAura, is transferred to a third party, TrūAura may assign its rights and delegate its duties and obligations under the Agreement to such third party as part of the sale or transfer.

46. Inducing Consultants to Violate the Agreement. Consultants shall not induce, encourage, or assist another Consultant to violate the Agreement.

47. Reporting Errors. If a Consultant believes that TrūAura has made an error in his/her compensation, the structure or organization of his/her genealogy, or any other error that impacts the Consultant's income, he/she must report it to the Company in writing within sixty (60) days from the date on which the mistake occurred. While TrūAura shall use its best efforts to correct errors reported more than (60) days after the date of the error, TrūAura shall not be responsible to make changes or remunerate Consultants for losses for mistakes that are reported more than sixty (60) days after the mistake occurs.

48. International Activities. Consultants may not sell TrūAura products or conduct business activities of any nature in any foreign country that the Company has not announced is officially open for business.

49. Dispute Resolution.

a. Stages of Dispute Resolution and General Dispute Resolution Procedures. Disputes between the Company and a

Consultant(s) that arise from or relate to the Agreement, the business operated by the Consultant, or the opportunity offered by the Company shall be resolved according to the three-step procedure of (a) informal negotiation; (b) non-binding mediation; and (c) trial before a court for claims under \$25,000.00 so long as equitable relief is not also sought (except as set forth below), or binding confidential arbitration if the claim is for \$25,000.00 or more and/or if equitable relief is sought. **IF A CLAIM SEEKS DAMAGES FOR \$25,000.00 OR MORE, OR SEEKS EQUITABLE RELIEF (EXCEPT AS SET FORTH BELOW), THE PARTIES AGREE TO RESOLVE THE DISPUTE THROUGH BINDING ARBITRATION AND WAIVE CLAIMS TO A TRIAL BEFORE ANY COURT OR JURY.**

The following shall apply to all proceedings under this dispute resolution policy:

- Any claim a party has against the other must be brought within one (1) year from the date on which the act or omission giving rise to the claim occurred. In cases in which informal negotiation is required, once informal negotiation is requested in writing the one (1) year limitation of actions provisions in this policy shall be tolled until the completion of the mediation phase of this policy and for ten calendar days thereafter.
- At no time prior to completion of the negotiation and mediation procedures below shall either party initiate arbitration or litigation related to this Agreement or the business except as may be specified otherwise in this dispute resolution policy.
- All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation and/or mediation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in any court trial, arbitration, or in any other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation and/or mediation.
- Informal negotiations, mediation, and arbitration (if necessary) shall take place in Dallas, Texas unless the parties mutually agree on another forum. Informal negotiations and mediation shall take place telephonically if either party requests such and it is practicable to do so.
- Each party shall be responsible for its own attorney's fees, expert, professional and witness fees incurred in pursuing any claim, regardless of the forum.
- If litigation is filed in court, the action may be brought in the jurisdiction in which either party resides or has its principal place of business.

Step 1 - Informal Negotiation. The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement or the Company's business promptly by negotiation between the aggrieved Consultant(s) and executives of the Company who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. A party may, at its election, choose to be accompanied in such negotiation by an attorney. If one (1) party elects to have its attorney present, the other party must also agree to have its attorney present if that party has retained counsel.

To institute the negotiation process, either party may give the other party written notice of any dispute not resolved in the normal course of business. Within ten (10) days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity (a) a statement of each party's position and a summary of arguments supporting that position, and (b) the name and title of the executive and attorney who will accompany that party (if applicable), or the name of the Consultant and his/her attorney (if applicable) who will accompany him/her in the negotiation. Within twenty (20) days after delivery of the notice, the parties and the attorneys (as applicable) of both parties shall meet at a mutually acceptable time and place. Such meeting may occur telephonically if one (1) party requests that the meeting be held telephonically.

Unless otherwise agreed in writing by the negotiating parties, mediation may be initiated one (1) business day following the close of the negotiation phase. The negotiation phase is "closed" when one (1) party notifies the other in writing that it considers the negotiations "closed". Such closure shall not preclude continuing or later negotiations if desired by both parties.

Step 2 – Mediation. If the parties are unsuccessful in resolving their dispute through good faith negotiation, the next step in the dispute resolution process is mediation. If a party elects to pursue mediation, the party shall submit a written request for mediation to the other party within ten (10) calendar days after the negotiation phase is completed. The parties shall have ten (10) calendar days following such request to select a mutually acceptable mediator. If the parties cannot agree on a mutually acceptable mediator, they shall apply to JAMS (www.jamsadr.com) to have a neutral mediator appointed.

If neither party timely requests mediation following the completion of the negotiation phase, the dispute shall be deemed resolved and no further action either via mediation, arbitration or litigation may be commenced without the mutual agreement of both parties.

Mediation shall be conducted within twenty (20) calendar days from the date on which the mediator is selected or appointed or as otherwise agreed upon by the parties and the mediator.

Unless otherwise agreed upon by the parties, the mediation shall be closed no later than thirty (30) calendar days following the completion of the meeting between the mediator and the parties.

Step 3 – Arbitration or Litigation. If the dispute has not been resolved through informal negotiation and mediation as provided above, the next step is either arbitration or litigation as provided below.

- **Claims under \$25,000.00 with no claim for equitable relief.** If a claim seeks less than \$25,000.00 and equitable relief is NOT sought, an action may be brought pursuant to the arbitration policy below if the parties agree. If the parties do not agree to settle the dispute through arbitration, a claim may be brought before the small claims court or the court of general jurisdiction in the county in which either party resides or has its principal place of business.
- **Claims for \$25,000.00 or more or claims seeking equitable relief - Confidential Binding Arbitration.** If a claim seeks \$25,000.00 or more, or seeks equitable relief, and the parties do not successfully resolve their dispute through the negotiation and mediation procedures above, the dispute shall be resolved through binding confidential arbitration as set forth below.

b. Arbitration Administered by JAMS. The arbitration shall be filed with, and administered by JAMS in accordance with its Comprehensive Rules and Procedures, which are available on JAMS' website at www.jamsadr.com/rules-comprehensive-arbitration/. Copies of JAMS Rules and Procedures will also be emailed to Consultants upon request to TrūAura's Customer Service Department. Notwithstanding the rules of JAMS, unless otherwise stipulated by the parties, the following shall apply to all Arbitration actions:

- The Federal Rules of Evidence shall apply in all cases.
- The parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure.
- The parties shall be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure.
- The arbitration hearing shall commence no later than three hundred sixty-five (365) days from the date on which the arbitrator is appointed, and shall last no more than five (5) business days.
- The parties shall be allotted equal time to present their respective cases.
- The Arbitrator's Award will consist of a written statement stating the disposition of each claim. The award will also provide a concise written statement of the essential findings and conclusions on which the award is based.
- Any dispute relating to whether the dispute is subject to arbitration shall be decided through arbitration.

c. Confidentiality. With the exception of discussing the claims with bona fide witnesses to the dispute, neither party (nor any of its attorneys, agents, employees, or proxies) shall verbally or in writing discuss, publish, or otherwise disseminate the claims, allegations, merits, evidence, positions, pleadings, testimony, rulings, awards, orders, issues, or any other aspect of the dispute to any third party, including but not limited to disclosure on the internet or on any social media or blog platform, prior to, during, or after any phase of the three steps of the dispute resolution process unless a specific exemption contained in this dispute resolution policy applies.

d. Liquidated Damages for Breach of the Confidentiality Obligation. If a party violates its confidentiality obligations under this dispute resolution policy, the non-breaching party shall incur significant damages to its reputation and goodwill that shall not be readily calculable. Therefore, if a party, its attorneys, agents, or a proxy of a party breaches the confidentiality provisions of this dispute resolution policy, the following shall apply:

- The non-breaching party shall be entitled to liquidated damages in the amount of \$10,000.00 per violation, or \$25,000.00 per violation if the disclosure is published on the internet, including but not limited to disclosure on any website or on any social media forum. Every disclosure of each claim, allegation, pleading, or other prohibited disclosure shall constitute a separate violation. Notwithstanding this confidentiality and liquidated damage provision, nothing herein shall limit the right or ability of a party to disclose evidence, claims, or allegations relating to the dispute to any individual who is, or who may be, a bona fide witness to the dispute. **The parties agree that this liquidated damage amount is**

reasonable and waive all claims and defenses that it constitutes a penalty; AND

- **Breach of the confidentiality provision by disseminating or publishing information described in subparagraph c above through any form of mass media (including but not limited to posting on the Internet or on any social media platform) by a party, a party's agent, or a party's proxy shall constitute an act of wanton and gross bad faith, and shall constitute a waiver of the breaching party's right to pursue the claim(s) and/or defense(s) against the non-breaching party, and shall entitle the non-breaching party to a default judgment against the breaching party.**

e. **Emergency Relief.** Either party may bring an action before JAMS seeking emergency relief to protect its intellectual property rights, including but not limited to protecting its rights pursuant to the non-solicitation provisions of these Policies and Procedures. A claim or cause of action seeking emergency relief shall be brought pursuant to the Emergency Relief Procedures in JAMS Comprehensive Rules and Procedures, available at <https://www.jamsadr.com/rules-comprehensive-arbitration/#Rule%202>, or by contacting the company at businesscenter@truaurabeauty.com. The parties agree that any violation of the Confidential Information (Policy 19) or Nonsolicitation (Policy 17) provisions of these Policies and Procedures shall entitle TrūAura to emergency and permanent equitable relief because: (a) there shall be no adequate remedy at law; (b) TrūAura shall suffer immediate and irreparable harm should such policies be breached; and (c) if emergency and permanent equitable relief is not granted, the injury to TrūAura shall outweigh the potential harm to Consultant if emergency and/or permanent equitable relief is granted.

f. **Disputes Not Subject the Three-Step Dispute Resolution Procedure.** A party need not go through the informal negotiation or mediation steps in the following situations:

- **Action to Enforce Arbitration Award or Order.** Either party may bring an action in a court properly vested with jurisdiction to enforce an Arbitration award or order, including but not limited to an order for emergency relief.
- **Petitions for Emergency Relief.** If a party deems it necessary to seek emergency relief to protect its interests, it may seek emergency relief as set forth in this dispute resolution policy without engaging in the negotiation or mediation process set forth above. Notwithstanding the foregoing, the parties are encouraged, but not required, to engage in negotiation and or mediation concurrently with any pending request for emergency relief.
- **Public Injunctive Relief.** If public injunctive relief is authorized by federal or state statute, an action may be brought before a court properly vested with jurisdiction over the parties so long as: (a) the relief sought is limited to public injunctive relief that is authorized by federal or state statute; and (b) the public injunctive relief is unavailable through arbitration proceedings hereunder. Note that the confidentiality provisions and corresponding liquidated damages provisions for breach of the confidentiality provision contained in this dispute resolution policy shall remain in effect for claims and actions brought under this exception to the three-step dispute resolution process unless such action is brought before a court and the disclosure is related solely to material that is not filed with the court under seal or pursuant to a protective order.
- **Disciplinary Sanctions.** The Company shall not be required to engage in the three-step dispute resolution process prior to imposing disciplinary sanction for violation of the Agreement.

g. **Remedies.** Remedies available to Consultants under U.S. federal laws and the state and local laws of a Consultant's state of residence shall remain available to the Consultant in any arbitration proceeding.

50. Class Action Waiver. All disputes, whether pursued through arbitration or before the courts, that arise from or relate to the Agreement, that arise from or relate to the TrūAura business, or that arise from or relate to the relationship between the parties, shall be brought and proceed on an individual basis. The parties waive their rights to pursue any action against the other party and/or their respective owners, officers, directors and agents, on a class or consolidated basis. You may opt out of this class action waiver if you wish by submitting written notice to the Company of your desire to opt out within thirty (30) days from the date on which you enroll as a Consultant. Submit your written opt-out notice to the Company at TrūAura, ATTN: Business Center, 4145 Belt Line Road, STE 212-352, Addison, Texas 75001.

51. Governing Law. The Federal Arbitration Act shall govern all matters relating to arbitration. Except as otherwise specifically referenced in these Policies and Procedures, the law of the State of Texas, without regard to principals of conflicts of laws, shall govern all other matters relating to or arising from the Agreement, the TrūAura business, the relationship between the parties, or any other claim between the parties. Notwithstanding the foregoing, if a dispute is brought in a small

claims court properly vested with jurisdiction, the law of the state in which the small claims court resides shall apply.

52. Damages for Wrongful Termination. In any case which arises from or relates to the wrongful termination of a Consultant's Agreement and/or independent business, the parties agree that damages will be extremely difficult to ascertain. Therefore, the parties stipulate that if the involuntary termination of a Consultant's Agreement and/or loss of their independent business is proven and held to be wrongful under any theory of law, Consultant's sole remedy shall be liquidated damages calculated as follows:

- For Consultants at the "Paid As" rank Consultant through Gold Consultant, liquidated damages shall be in the amount of her gross compensation that he/she earned pursuant to TrūAura's Compensation Plan in the twelve (12) months immediately preceding the termination.
- For Consultants at the "Paid As" rank Manager through Executive Manager, liquidated damages shall be in the amount of her gross compensation that he/she earned pursuant to TrūAura's Compensation Plan in the eighteen (18) months immediately preceding the termination.
- For Consultants at the "Paid As" rank Director and above, liquidated damages shall be in the amount of her gross compensation that he/she earned pursuant to TrūAura's Compensation Plan in the twenty-four (24) months immediately preceding the termination.

Gross compensation shall include commissions and bonuses earned by the Consultant pursuant to TrūAura's Compensation Plan as well as retail profits earned by Consultant for the sale of TrūAura merchandise. However, retail profits must be substantiated by providing the Company with true and accurate copies of fully and properly completed retail receipts provided by Consultant to customers at the time of the sale. The parties agree that the foregoing liquidated damage schedule is fair and reasonable.

A Consultant's "Paid As" rank is the rank or title at which they qualify to earn compensation under the TrūAura Compensation Plan during a pay-period. For purposes of this policy, the relevant pay-period to determine a Consultant's "Paid As" rank is the pay-period during which the Consultant's business is placed on suspension or terminated, whichever occurs first. The "Paid As" rank differs from the "Title Rank," which is the highest title or rank that a Consultant has ever achieved under the TrūAura Compensation Plan.

53. Damage Waiver. In any action arising from or relating to the Agreement, the TrūAura business, or the relationship between the parties, the parties waive all claims for incidental and/or consequential damages, even if the other party has been apprised of the likelihood of such damage. The parties further waive all claims to exemplary and punitive damages. Nothing in this policy shall restrict or limit a party's right to recover liquidated damages as set forth in these Policies and Procedures.

54. Louisiana Residents. The foregoing dispute resolution provisions shall apply to Louisiana residents with the exception that Louisiana residents may bring an arbitration action in his/her home forum and pursuant to Louisiana law.