



Policies and Procedures

UNITED STATES

Effective December 27, 2022



ACN POLICIES AND PROCEDURES - UNITED STATES

WELCOME!

Welcome to ACN! We are pleased that you have joined ACN as an ACN Independent Business Owner (“IBO”). You are beginning an exciting journey with ACN, and we look forward to a long relationship with you.

ACN has created these Policies & Procedures to help support you in successfully promoting your ACN IBO business. These Policies & Procedures apply to all IBOs operating in the United States. Here you will find important requirements and guidance to help you start, operate and grow your independent business as an ACN IBO.

These **Policies & Procedures** include and incorporate the **Permitted Business Entity (PBE) Requirements**, as well as any other Supplemental Policies that ACN may publish from time to time. To fully understand your rights and obligations as an IBO, you must also read the **US Terms and Conditions** and the **ACN Compensation Plan**. All of these documents together form your **IBO Agreement**, which is a binding contract between you and ACN. ACN will update these Policies & Procedures from time to time and will provide notice of such updates in accordance with the US Terms and Conditions; however, all IBOs should check the IBO Back Office regularly to review the current version of these Policies & Procedures.

You can find definitions for capitalized terms used in these Policies & Procedures in the Glossary of Defined Terms located in Article IX below. If you have questions about any portion of your IBO Agreement, your IBO position, or ACN, please contact ACN IBO Support or refer to your IBO Back Office.

A WORD ABOUT ACN'S CORE VALUES

ACN conducts business every day embracing core values established by our co-Founders. We believe that doing so enables ACN to deliver the best possible Customer and IBO experiences. IBOs must embrace the ACN Core Values too. We believe that in doing so you will find greater success in achieving your goals, both in the ACN Opportunity and in other aspects of your life.

1. Integrity, Trust & Respect

ACN's leadership is committed to success through integrity and to conducting business in an ethical, trustworthy, and lawful manner. Follow the ACN Co-Founders' lead, treat others how you want them to treat you, and build your business always by “doing it the right way”.

2. Teamwork & Communication

Your IBO business is your own, but in your business, you will work with current and prospective Customers and IBOs. Communicate clearly and honestly with them. Treat them with respect. Do not mislead them or make false promises or guarantees. Work closely with your team, help each other with proper coaching, motivation and support, and help each other set and achieve challenging but realistic goals.

3. Entrepreneurial Spirit & Empowerment

You own your own business as an IBO. You are an independent contractor of ACN, not an employee. As a business owner, you have incredible freedom to make decisions, be innovative, and work your business how you choose. The decisions you make and your commitment to your business will be driving forces in determining your success. Empower yourself and your team with this knowledge in setting and working toward your goals.

4. Winning Culture

To ACN, winning means success in achieving goals and helping others do the same. What is your personal “why” for establishing your IBO business? Whether it's to earn some extra money for the holidays, build an income stream, develop relationships, personal growth, or something else, identify it. Then, work to achieve it, and remember to help others along the way.

I. STARTING, BUILDING AND MAINTAINING YOUR INDEPENDENT BUSINESS

I.1 Eligibility to Become an IBO

To be eligible to become an IBO in the United States and maintain your IBO position, you must: (1) be of Legal Age; (2) have a primary residence located in the United States; (3) have legal authority to conduct business and earn income in the United States; (4) have your completed IBO Application accepted by ACN as described in these Policies & Procedures; and (5) provide and maintain your Payment Method. If you hold your IBO position as a Permitted Business Entity (PBE), each Participating Party must meet the foregoing requirements and the PBE must be formed and resident in the United States and comply with the PBE-specific requirements contained in these Policies & Procedures.

I.2 IBO Application and Acceptance

To apply to become an IBO in the United States, you must accurately complete and submit the IBO Application and pay the Initial Payment via your Payment Method. You do not need to purchase ACN Products or ACN Business Tools to become an IBO.

If your IBO Application is accepted, ACN will notify you and provide the Start Date of your Agreement. If your IBO Application is incomplete or inaccurate, or if ACN cannot process your Initial Payment, your IBO Application may be rejected or ACN may provisionally accept your IBO Application pending receipt of all required information or your payment, but you will not be entitled to any Compensation unless and until your IBO Application is finally accepted by ACN. ACN may accept or reject your IBO Application for any reason, or no reason, in ACN's sole discretion. If ACN rejects your IBO Application, then you will not become an IBO and any IBO position that was provisionally created for you will be terminated. In such case, you will receive a refund of your Initial Payment as described in these Policies & Procedures.

I.3 Provision of Information

You are responsible for ensuring that all information you submit to ACN is kept accurate and complete, including without limitation all information related to your Payment Method. Promptly notify ACN of any changes to this information, including changes to your name, address, telephone number, email address, and/or Payment Method information. Most changes can be submitted through the IBO Back Office.

I.4 Payment Method

You must maintain a valid Payment Method on file with ACN at all times. In the event your Payment Method becomes invalid for any reason, ACN will provide notice to you (each, a "Payment Notice"), and any Compensation payments will be held until you provide a valid Payment Method to ACN that allows ACN to process Business Support Fee payments going forward. If you timely respond to a Payment Notice, ACN will charge your Payment Method for any accrued but unpaid Business Support Fees and will release any held

Compensation upon successful processing of such charge.

In the event that you fail to provide a valid Payment Method (i) within ninety (90) days of the relevant Payment Notice, then your IBO position will be deactivated and you will forfeit your rights to payment of Compensation of any kind, regardless when earned, and you must provide a valid Payment Method and pay all amounts then due and payable in order to reinstate your position; or (ii) within one (1) year of the receipt of a Payment Notice, then your IBO position will be deactivated and cannot be reinstated, you will forfeit your rights to payment of Compensation of any kind, regardless when earned, and your IBO Agreement will be terminated, meaning you will need to re-enroll as a new IBO in accordance with these Policies & Procedures.

I.5 IBO Position Names

IBO positions must be operated in the name of the Individual(s) or the PBE holding the IBO position, unless an exception is approved in writing by ACN.

I.6 Business ID Numbers

ACN assigns a Business ID Number to each IBO, which is intended only for use by the IBO to which it is assigned. You should encourage your Customers to include your Business ID on all Customer orders, and you should ensure that any IBO that you sponsor includes your Business ID on their IBO Application. Failure to provide your Business ID may result in you not receiving credit for Customer purchases or in new IBOs being excluded from your Downline. You are responsible for any activity that is performed using your Business ID; accordingly, you must exercise appropriate care to monitor and protect against unauthorized use of your Business ID, including use of the ACN login credentials associated with your Business ID, and you must promptly notify ACN of any unauthorized use.

I.7 Permitted Business Entities

A Permitted Business Entity (PBE) may apply to become an IBO, subject to additional requirements described in these Policies & Procedures and the PBE Requirements, including submission of the PBE Addendum (which is available upon request or in the IBO Back Office). Any IBO position that will have more than one beneficial owner must apply as a PBE rather than as an Individual unless the IBO position is held by Spouses/Domestic Partners. Conversion of an Individual IBO Position to a PBE Position is considered by ACN to be a sale or transfer and is subject to Section I.12 below.

Each Participating Party in a PBE Position must sign the PBE Addendum and be added to the IBO position by the Primary Contact and personally agree to abide by and be jointly and severally responsible and liable for the IBO Agreement as the IBO and, in addition, Participating Parties are subject to the restrictions applicable to holding multiple IBO positions in Section I.14 below.

I.8 Spouses/Domestic Partners as IBOs

Spouses and Domestic Partners may join ACN as IBOs and operate

under the same or separate IBO positions. If Spouses or Domestic Partners operate the same IBO position, both names must be listed on the position, but one Individual must be designated as the Primary Contact and will be entitled to receive or direct the disposition of Compensation. Each Spouse or Domestic Partner must agree to abide by the IBO Agreement. If Spouses or Domestic Partners operate separate IBO positions, one Spouse or Domestic Partner must be the Sponsor of the other. If IBOs with separate IBO positions, where one is not the Sponsor of the other, become Spouses or Domestic Partners, one of the IBOs must sell or terminate its IBO position. That IBO may join their Spouse or Domestic Partner's position or create a new IBO position that is Sponsored by the IBO's Spouse or Domestic Partner. Customers and Downline under the sold or terminated IBO position will remain with that sold or terminated IBO position. ACN may terminate either or both IBO positions if the IBOs do not comply with the requirements in this Section I.8. Whether or not both Spouses or Domestic Partners hold IBO positions, IBOs are responsible for the conduct of their Spouse or Domestic Partner in connection with the IBO position as if it were the IBO's own conduct.

In the case of a divorce or the legal termination of a Domestic Partnership, the impacted IBOs must notify ACN of the effect on the IBO position(s) and provide such documentation as ACN may request. In the event of a dispute between IBOs over the ownership of an IBO position, ACN has the right, in its sole discretion, to suspend the disputed IBO position pending resolution of such dispute or to consider the party listed as the Primary Contact on the IBO position to be the owner of the IBO position. ACN will not be liable for any losses, claims, or expenses arising from ACN's treatment of such IBO position prior to ACN's receipt of notice of, and all requested documentation related to, the final disposition of the position. In the event of a divorce or the legal termination of a Domestic Partnership, following formal disposition of the formerly-shared IBO position, a former Spouse or Domestic Partner who loses all rights and interest in the formerly-shared IBO position is permitted to start a new IBO position under any Sponsor, despite having an interest in the formerly-shared IBO position within the preceding 12-month period.

I.9 Renewing Your IBO Agreement

The Renewal Date of your IBO Agreement is twelve (12) months from your Start Date and every anniversary of your Start Date occurring thereafter. If you want to continue your IBO position beyond the Renewal Date, you must pay on or before your Renewal Date the Renewal Fee and the Business Support Fee due for the first month of the Renewal Term. ACN reserves the right, in ACN's sole discretion, to approve or deny any renewal.

If you fail to complete payment of the Renewal Fee within thirty (30) days of the Renewal Date, then your IBO position will become non-renewed, in which case you must immediately stop operating your IBO business and you will not earn any Compensation for any activity conducted while your position is non-renewed. You may reinstate a non-renewed IBO position by paying the Renewal Fee and the total amount of accrued but unpaid Business Support

Fees, along with any other applicable renewal requirements, within eleven (11) months of the date on which your IBO position became non-renewed; however, again, you will not earn any Compensation for activity that occurred between the Renewal Date and the date on which the aforementioned fees are actually paid while the IBO position was non-renewed. If your IBO position is not renewed within twelve (12) months of the Renewal Date, your IBO position will be deactivated and may not be reinstated.

I.10 Ending Your IBO Agreement

You may end your IBO Agreement at any time by notifying ACN that you wish to terminate the IBO Agreement in the manner described in the US Terms and Conditions. Your rights and obligations upon termination vary depending on when you terminate.

a. Cancellation During the Cooling Off Period

ACN provides for a Cooling Off Period during which an IBO may cancel its IBO Agreement without giving a reason and receive a refund of certain amounts paid to ACN. If you notify ACN during the Cooling Off Period of your desire to cancel your IBO Agreement, then your IBO Agreement will be cancelled, your IBO position will be deactivated, and you will receive a refund of your Initial Payment, if cancelled within the Cooling Off Period following your Start Date, or the Renewal Fee and the current month's Business Support Fee if cancelled within the Cooling Off Period of any renewal term. If you cancel your IBO Agreement during the Cooling Off Period, any Compensation earned and paid during the Cooling Off Period will be deducted from any refund you may receive. You will not be entitled to any Compensation except as specified above under any circumstances. If you have subscribed to electronic or virtual ACN Business Tools during the Cooling Off Period, then upon termination of your IBO Agreement your subscriptions will be cancelled, and any amounts paid for such ACN Business Tools will be refunded in accordance with applicable law. If, during the Cooling Off Period, you have purchased physical ACN Business Tools, then you may return them for a refund, subject to the following terms and conditions and applicable law. Such physical ACN Business Tools must be unused, unopened and then-currently marketable, and promptly returned to ACN at your risk and expense, in order to be eligible for a refund, and ACN will deduct from your refund any amounts you owe to ACN. ACN Products purchased by you for personal use pursuant to a Customer Contract will not be automatically cancelled, and you shall not be entitled to a refund for such ACN Products, as a result of your termination of your IBO Agreement; rather, any such ACN Products must be cancelled as provided for in the applicable Customer Contract.

b. Termination by You or ACN After the Cooling Off Period

If you notify ACN after the expiration of the Cooling Off Period that you want to end your IBO Agreement, or if ACN exercises a right under the IBO Agreement to terminate your IBO position, then your IBO Agreement will be terminated, your IBO position will be deactivated, and you will not receive a refund of your

Start Up Fee or Renewal Fee (as applicable) except as required by applicable law; provided, however, that if you terminate your IBO Agreement after the Cooling Off Period, ACN will refund you the full amount of any Business Support Fee paid within the thirty (30) days preceding the termination date, less the amount of any Compensation earned during such thirty (30) day period. In the event of termination after the Cooling Off Period, any subscriptions to electronic or virtual ACN Business Tools will be cancelled; however, you will not be refunded for amounts already paid for those ACN Business Tools. You may have the right to return for a refund any unused, unopened and then-currently marketable physical ACN Business Tools you elected to purchase for up to one (1) year from the date of purchase and, if so returned, you will receive a refund equal to ninety percent (90%) of the purchase price of such items. You will be responsible for the cost of shipping of such items, and ACN will deduct from your refund any amounts you owe to ACN. ACN Products purchased by you for personal use pursuant to a Customer Contract will not be automatically cancelled, and you shall not be entitled to a refund for such ACN Products, as a result of your termination of your IBO Agreement; rather, any such ACN Products must be cancelled as provided for in the applicable Customer Contract. ACN reserves the right to terminate your IBO Agreement for any breach of the IBO Agreement by providing written notice to the IBO address on file with ACN.

c. Post-Termination Rights and Obligations

Following the cancellation or termination of your IBO Agreement for any reason, you will no longer be an IBO and you may not represent yourself as an IBO or take any action that directly or indirectly implies that you are still an IBO. You must immediately cease marketing any ACN Products and using any ACN Intellectual Property, Confidential Information, and ACN Facilities. Further, any IBO whose position is terminated by ACN is prohibited from attending or participating in any Event following such termination. As explained further in Article VI below, as a condition to earning Compensation, IBOs must maintain a current IBO position at the time such Compensation is actually paid by ACN. Accordingly, upon termination of your IBO Agreement, you will forfeit all rights to payment of Compensation of any kind. Further, you will be released from all obligations under your IBO Agreement except for (1) liabilities relating to overpayments made to you by ACN; (2) amounts owed by you for accrued Business Support Fees, or ACN Products or ACN Business Tools that are not eligible for refund or are not returned to ACN; and (3) surviving obligations as set forth in your IBO Agreement.

If and when an IBO Agreement is terminated for any reason, the IBO shall have no claim against the ACN Companies or their respective officers, directors, agents, employees, or representatives, nor any right to claim or collect lost profits, lost opportunities or any other damages. The terms contained herein are in satisfaction of any and all statutory and common law claims, including without limitation any right to reasonable notice of termination of the contractual relationship.

ACN reserves the right to determine the treatment of a deactivated IBO position, including but not limited to treatment of the position's Customers and Downline, and whether to leave a vacated IBO position in its current position in the sales organization or to remove it from the sales organization. No Sponsor, Upline, or IBO has any right or claim in or to a deactivated position, its Customers, Downline, or placement in any sales organization.

I.11 Re-joining ACN after the Termination of Your IBO Agreement

An IBO who terminates after the Cooling Off Period may not re-join ACN or another ACN Company under a new IBO position unless more than twelve (12) months have passed since the applicable termination date. An IBO that wishes to re-join ACN after this twelve (12) month period may apply for a new IBO position by submitting a new IBO Application and paying the then-applicable Start Up Fee and first month's Business Support Fee. The Customers and Downline of the prior deactivated IBO position will not be reinstated under the IBO's new position and the IBO will not be entitled to any Compensation or qualifications under the ACN Compensation Plan arising from the deactivated position. ACN reserves the right, in ACN's sole discretion, to make case-by-case exceptions to the foregoing policy and further reserves the right to move the Customers and Downline of the IBO's former position to the IBO's new position. These rules also apply to Participating Parties of a PBE.

I.12 Sale or Transfer of IBO Positions

Any proposed sale or transfer of an IBO position must be approved in advance by ACN in writing. To request approval, the selling IBO must send a written request to ACN that includes the names, addresses, and contact details of the proposed buyer(s) or transferee(s) and a description of the transaction, including any amount to be paid to the selling IBO. Upon receipt of a request, ACN will send the selling IBO certain documentation to be completed by the parties to the proposed transaction. Any proposed buyer or transferee must meet all of the eligibility requirements for becoming an IBO and shall, at ACN's discretion, be required to enter into a new IBO Agreement or assume the obligations of the IBO Agreement being assigned or transferred.

ACN reserves the right to reject any proposed assignment or transfer in ACN's commercially reasonable discretion. ACN may charge a Transfer Fee to process any approved sale or transfer of an IBO position.

I.13 Death or Incapacity of an Independent Business Owner

If an IBO dies or becomes incapacitated, the rights to the impacted IBO position may be transferred to the IBO's designated successor on a permanent or temporary basis. ACN will require documentation in connection with such occurrence, and the successor must provide such documentation and (1) meet all of the eligibility requirements for becoming an IBO; (2) enter into a new IBO Agreement; and (3) assume the obligations of the IBO position. In the event of temporary transfer of an IBO position due to incapacity, once the relevant incapacity has ended ACN must be notified and responsibility for the IBO position must be returned to the original IBO.

If an IBO dies or becomes incapacitated and has not designated a successor, or if there are competing claims regarding the IBO's incapacity or the identity of the successor, the IBO position may be suspended until ACN receives a court order or other documentation requested by ACN and advising ACN of the disposition of the IBO position, and ACN will not be liable for any losses, claims, or expenses arising from such treatment of the IBO position prior to ACN's receipt of notice and such requested documentation. In the case of a proposed successor that has an existing IBO position, or that is a Participating Party in an existing IBO position, the Individual should contact ACN to discuss his/her options.

I.14 Participation in Multiple IBO Positions

An Individual may own, manage, or participate in only one IBO position at any given time, except as permitted by these Policies & Procedures (including without limitation the Permitted Business Entity Requirements) and with the prior written approval of ACN. In no case may an Individual or Participating Party have interests in multiple IBO positions totaling more than 100%. Each person who holds an Individual IBO Position is considered to have a 100% interest in that IBO position and the Individual may not own, manage, or participate in another IBO position. Each person who holds an Individual IBO position with a Spouse or Domestic Partner is considered to have a 50% interest in the IBO position for purposes of the 100% rule.

The percentage interest that a Participating Party has in an IBO position held by a Permitted Business Entity must be accurately stated in the documentation provided to ACN by the Primary Contact requesting approval for that Participating Party. An Individual or entity may only be a Participating Party in a PBE if they hold at least five percent (5%) of the total interest available in the applicable PBE Position. An Individual may be a Participating Party in a maximum of three IBO positions (including a position held as a Spouse or Domestic Partner), and in such case one of the IBO positions must be the Sponsor of the second and third IBO positions.

Non-owner employees and contractors of an IBO position, and parties holding less than five percent (5%) of the total interest in the PBE Position, are not considered to be Participating Parties and may not represent themselves as an IBO, Solicit Customers, or recruit for the IBO position. Such Individuals may, however, perform other functions which may be integral to the IBO business, such as assisting to close Customers or IBO sign-ups, managing existing Customer relationships for support or retention, and developing marketing strategy. The IBO bears responsibility for all aspects of its non-owner employee and contractor relationships and for their conduct (which will be deemed the IBO's conduct).

In furtherance of these rules: (1) an Individual may only be entered once as a Primary Contact for an IBO position; (2) the Primary Contact must obtain consent from ACN for any Participating Party associated with the IBO position; (3) for a PBE Position, the Primary Contact and each Participating Party must sign the PBE Addendum; (4) a bank account used for Compensation payable to an IBO may be used only for a single IBO position, except for separate IBO positions

held by Spouses or Domestic Partners; and (5) an Individual may not submit an IBO Application for an Individual IBO position or be a Participating Party in an IBO position unless (i) the total percentage of interests of that Individual in any existing IBO positions and any IBO positions that were terminated within the past twelve (12) months does not exceed 100%, and (ii) all IBO positions in which the Individual has or has had an interest in the past twelve (12) months are direct Sponsors of each other.

I.15 Operating Outside Your Home Country

You may operate your independent business as an IBO in every country in which ACN operates as long as you meet the IBO requirements for that country, subject to the Policies & Procedures applicable to that country and applicable law. You may not promote or sell ACN Products or the ACN Opportunity in countries in which ACN does not operate. The countries in which ACN operates are identified in the IBO Back Office and on www.acn.com. You also may not ship, market or sell any ACN Product in any country except as expressly permitted by ACN. The ACN Website for each country provides a description of the ACN Products available in that country. Other specific restrictions are described in the IBO Back Office for each country.

II. ETHICAL CONDUCT AND COMPLIANCE WITH LAW

II.1 Conducting Business in an Ethical Manner

ACN conducts business in an open, ethical and trustworthy manner and expects all IBOs to do the same. IBOs are required to adhere to the highest ethical standards and to follow the letter and spirit of these Policies & Procedures, and IBOs must refrain from conduct that may or does cause disruption to the normal business of the ACN Companies, ACN Providers, or any other IBO, or that is or may reflect negatively or damage in any way to the image, reputation or goodwill of those parties. Further, to the extent IBOs engage in building Downlines, IBOs must use best efforts to ensure that their Downlines do the same. ACN reserves the right to determine whether IBO activities are unethical, disruptive or damaging. The following is a non-exhaustive list of conduct that ACN considers unethical or disruptive and that may subject you to disciplinary action:

- Providing false information or forged documents to ACN, altering any document submitted to ACN or an ACN Provider after it has been signed, or submitting a false electronic signature on any ACN Website or the website of an ACN Provider;
- Using another IBO's or a Customer's login credentials to access the online system of any ACN Company or ACN Provider, or to access any ACN Website;
- Pressuring a Customer to purchase ACN Products when you know or have reason to know that the Customer does not desire to complete the purchase;
- Entering a Customer Contract or an IBO Application on behalf of any other person, including causing a person's telecommunications, utility, home security, or other service

provider to be changed without the person's knowledge and/or consent ("slamming");

- Making false, misleading, defamatory, or disparaging statements or representations regarding other IBOs, any ACN Company, ACN Providers, ACN Products or the ACN Opportunity;
- Taking any action intended to take improper advantage of or manipulate the ACN Compensation Plan, including purchasing unreasonable amounts of ACN Products or encouraging others to purchase ACN Products solely for the purpose of qualifying for various positions or commissions in the ACN Compensation Plan and for no other legitimate purpose;
- Offering any payment, gift, or benefit with the purpose of influencing the acts or decisions of officials, or other actions that may violate anti-bribery and anti-corruption laws;
- Requiring any other IBO, or causing other IBOs to believe it is required, to pay or facilitate payment for any ACN Products on behalf of any Customer; and
- Harassing, threatening, insulting, or intimidating any ACN Company or ACN Provider, or their respective employees or representatives, or Customers, or IBOs.

II.2 Compliance with Laws and the Direct Selling Association ("DSA") Code of Ethics

IBOs must comply with all applicable federal, state and local laws and regulations in conducting their businesses. IBOs must also conduct their businesses consistent with good industry practice and the DSA Code. The DSA Code for the United States can be found at DSA's website: <http://www.dsa.org>.

III. MARKETING, ADVERTISING, and SALES METHODS

III.1 Introducing ACN Products and the ACN Opportunity

Only IBOs may initially Solicit Prospective Customers or IBOs. In doing so, IBOs must provide truthful and clear information about ACN Products and the ACN Opportunity, and must not use deceptive, unfair, or high-pressure sales practices, or make false, misleading, or exaggerated Claims about ACN Products or the ACN Opportunity. IBOs may not state, imply, or represent to potential IBOs that the purchase of any ACN Products or ACN Business Tools is required to become or succeed as an IBO, and an IBO may not require a prospective IBO to purchase any services or products as a condition to Sponsorship or to becoming an IBO. IBOs must ensure that Claims made are limited to those contained in official ACN materials or are otherwise authorized in writing by ACN. In particular for ACN Products, while ACN and ACN Providers strive to provide competitive high-quality products, not all Customers will save money and usage experience may vary and, accordingly, IBOs may not make Claims regarding the anticipated savings.

IBOs should use the ACN Websites and their ACN IBO Personal Website to help educate prospective Customers and IBOs about the ACN Products and the ACN Opportunity. IBOs must help prospective

Customers and IBOs access relevant documents and relationship details, understand their cancellation and cooling off rights (as detailed in the IBO Agreement or Customer Contracts, as applicable), and ensure awareness of ACN's complaint-handling procedures.

IBOs must take extra care when dealing with potentially vulnerable persons (such as the elderly or disabled).

IBOs must allow prospective Customers or IBOs to complete their own order for ACN Products or IBO Application. IBOs may provide guidance to prospective Customers or IBOs through the ordering or application process at their request, but the prospective Customers or IBOs must provide and enter their own information, review and agree to the applicable terms and conditions and submit the order or IBO Application. In no event may you cause a person's telecommunications, utility, home security, or other service provider to be changed without the person's knowledge and consent; this is considered "slamming" and is prohibited by ACN and applicable law. The Federal Communications Commission ("FCC"), Federal Trade Commission ("FTC"), and other governing regulatory agencies and authorities have rules that specifically prohibit these practices and impose penalties for violations of those rules. The ACN Companies cooperate with the law enforcement and regulatory authorities that investigate such violations.

III.2 Online Storefronts and Retail Outlets

IBOs must not use online storefronts other than the ACN Websites and their ACN IBO Personal Website. IBOs must also not use any physical storefront, kiosk, or other retail outlet to market the ACN Products.

III.3 Permitted Marketing Materials

When presenting prospective IBOs or Customers with written marketing materials, IBOs must use only those current materials approved by ACN, except as otherwise specified in this Section III.3. ACN and the ACN Providers have created a variety of marketing materials for use by IBOs in promoting ACN Products and the ACN Opportunity. Many of these materials are available to IBOs free of additional charge in the IBO Back Office, while others are available for purchase. The purchase of marketing materials is not required to become an IBO or to earn Compensation or qualifications under the ACN Compensation Plan. IBOs may not sell or otherwise profit from the creation or distribution of marketing materials.

ACN recognizes that it may be appropriate for IBOs with the status of Regional Vice President (RVP) or above to create and distribute their own marketing materials. All such marketing materials must be approved in writing by ACN prior to any use.

When presenting to prospective Customers or IBOs verbally or through social media where use of approved materials is impractical due to formatting, space or character limitations or otherwise, IBOs may market the ACN Opportunity and the ACN Products but must do so in a manner that is wholly consistent with the materials approved by ACN and these Policies & Procedures, and in strict accordance with the terms, conditions, and prices as conveyed by ACN.

III.4 Required Disclosures

Disclosures are important because they help ensure that prospective Customers and IBOs have appropriate information when considering whether to purchase an ACN Product or sign up for the ACN Opportunity. Also, many disclosures are required by applicable laws, rules, or regulations.

a. Disclosures when Presenting ACN Products

When marketing ACN Products in a manner consistent with approved marketing materials, IBOs must convey all disclosures associated with the content being marketed and may not delete or modify such disclosures.

b. Disclosures when Presenting the ACN Opportunity or in Telling Your IBO Story

When promoting or training on the ACN Opportunity, such as in the presentation of the ACN Compensation Plan or providing or presenting any testimonial, whether verbally or in writing, IBOs must convey to the audience, in a manner reasonably expected to be received and understood, the following disclosure:

“Earnings as an ACN IBO are based solely upon the successful sale of services and products to customers and their usage of those services and products. Individuals will incur expenses in operating their ACN business, such as the Start Up Fee, the Business Support Fee, and the Renewal Fee, as well as other possible operating expenses. As with any business, earnings and success at ACN are not guaranteed but depend primarily on the individual’s commitment, persistence and effort. Individuals may not earn income and may lose money as an IBO.”

If you are providing a testimonial, you must make an additional, clear and conspicuous disclosure conveying that the testimonial is your own personal experience, that your experience may not be typical, and that your story is not meant to imply or ensure that the listener will have the same experience. In addition, RVPs and above must further convey that their earnings are in the top 1% of all ACN IBOs.

The above requirements also apply any time you make a Permitted Testimonial. ACN recognizes that in some instances, such as through certain social media channels (e.g. Twitter), providing full disclosures as specified above may not be possible due to space or character limits. In these instances, the foregoing disclosure requirements will not apply, provided you may make no Earnings Representations. See subsection III.5(b) below for more detail on Earnings Representations.

c. Other Disclosures

ACN may issue additional requirements or guidance concerning disclosures from time to time through posting to the IBO Back Office. Please visit the IBO Back Office periodically to ensure you remain up to date.

III.5 Restricted Practices

ACN restricts certain specific marketing practices as detailed in this Section III.5. The practices detailed herein typically carry a higher risk of violating applicable laws, rules or regulations, or industry standards, and they are generally ineffective.

a. Prohibited Marketing Techniques ACN is a telecommunications and other essential home services provider that uses network or relationship-based, person-to-person marketing. It has been ACN’s experience, as a network marketing company, that Individuals with whom you already have a connection outside of your ACN business (even if it is someone you have only met once), or those who are referred to you from your connections, will often be more receptive to your marketing efforts. IBOs may not engage in Customer marketing practices inconsistent with ACN’s model. The use of Prohibited Marketing Techniques (defined below in Article IX) may be subject to regulation under law, may lead to legal challenges for which you are responsible and, in ACN’s experience, are unlikely to be worth the associated time and expense. Accordingly, the use of Prohibited Marketing Techniques by IBOs is impermissible. IBOs are responsible for adhering to any applicable laws, rules and regulations that govern the marketing practices they choose to use in connection with their business, and for ensuring the accuracy of all information presented.

b. Prohibited Claims and Earnings Representations Regarding the ACN Opportunity

ACN prohibits IBOs from making Earnings Representations, with the sole exception being the Permitted Testimonials described below. ACN prohibits Earnings Representations, whether accurate or not, because they can be misleading to prospective IBO and are unnecessary to market the ACN Opportunity. Earnings Representations are also restricted by the DSA Code and applicable law.

ACN does permit you to make certain testimonial statements (deemed Permitted Testimonials) in the context of describing your personal experience in the ACN Opportunity that may share some characteristics of Earnings Representations, provided that each of the following requirements are met: (1) your description is true and does not contain any false or misleading statements; (2) you are able to provide written documentation to ACN upon request that verifies the accuracy of the Permitted Testimonials; (3) the Permitted Testimonials are limited to statements indicative of your own personal experience, do not contain any forward looking or prospective representations, and do not expressly or by implication convey a specific amount of earnings or income; and (4) the required disclosures specified above are used. Notwithstanding the foregoing, Permitted Testimonials are not permitted where including the required disclosure is impossible for any reason, such as due to space or character limits.

c. Customer Stacking Prohibited

Each IBO must personally acquire and conclude sales with Customers to qualify for Earned Positions and Compensation, and to maintain the IBO’s position in the Compensation Plan.

Customers must know the IBO who sold or promoted ACN Products to such Customer. “Stacking” occurs when a Customer Contract is attributed to an IBO who did not personally acquire the Customer or participate in the sale. Stacking is prohibited by ACN and may violate consumer protection laws and the DSA Code. Therefore, you must not encourage a Customer to use the name or Business ID of an IBO that was not personally involved in a sale. IBOs may not “buy”, “sell”, or transfer Customers to another IBO. Further, you are responsible for the validity of all Customers listed on your Personal Customer List (PCL) and should review your PCL regularly to ensure that you personally acquired all listed Customers.

d. Targeting of Vulnerable and High-Risk Individuals Prohibited
You may not promote or sell ACN Products or promote the ACN Opportunity to persons under the Legal Age or to persons whose physical, mental, or emotional condition, or lack of fluency in the relevant language, render them unable to understand the terms, conditions, and prices of ACN Products or the ACN Opportunity, or makes them otherwise susceptible to pressure to purchase ACN Products or participate in the ACN Opportunity. In addition, IBOs may not target prospective Customers whose services were terminated by another service provider for non-payment or late payment, or who pose a high risk of uncollectible debt.

e. Non-Association; No Co-Branding or Co-Marketing

IBOs are permitted to work as employees or independent contractors of other companies, including as distributors for other direct selling companies, subject to the terms of the IBO Agreement including, without limitation, this subsection III.5(e) and Section 24 of the US Terms and Conditions. Nevertheless, when marketing ACN Products, promoting the ACN Opportunity, coaching other IBOs, participating in Events, or using ACN Facilities, you must limit your activity to ACN-related matters, and you may simultaneously not promote or allow the promotion of any other product, business, organization, association, or cause, without ACN’s prior express authorization. This restriction includes any co-branding or co-marketing and is intended to prevent any unintended perception of affiliation between ACN or any ACN Provider and such other product, business, organization, association or cause, and to prevent ACN from being used as a platform to advance such other product, business, organization, association, or cause. The restrictions set forth in this subsection III.5(e) will survive any termination of the IBO Agreement.

III.6 Websites, Social Media and Other Electronic Marketing

Websites, blogs, and social media pages can be useful tools for IBOs to expand their ACN businesses. If you choose to market your business online, you must follow the additional requirements outlined in this Section III.6. Please also refer to Supplemental Policies, including the ACN North America Social Media Standards, for additional guidance regarding web-based activities.

a. ACN IBO Personal Website

ACN makes a ACN IBO Personal Website available to each IBO to assist in Customer acquisition. The ACN IBO Personal Website is

a website hosted by ACN that may be customized with an IBO’s personal information and Business ID and makes it easier for prospective Customers to obtain the information they need about ACN Products, make purchases, and obtain customer support for previous orders.

Encouraging your Customers and any IBOs you wish to sponsor to use your ACN IBO Personal Website helps to ensure that your Customers and sponsored IBOs receive appropriate information and will be properly attributed to your Business ID.

b. Personal Online Presence Used Occasionally for ACN Business

If you choose to market your IBO business occasionally through any personal online presence, you must comply with the following additional requirements:

- The identifying words “ACN Independent Business Owner” and your full legal name must appear on the home page and/or in any profile section, as applicable;
- Content must not include any ACN Intellectual Property except as expressly approved by ACN; this prohibition includes any names, logos, videos, pictures, and other such materials. You may, however, share content where sharing is enabled by ACN and you may provide a link to content housed on ACN Websites or ACN’s corporate channels (e.g., ACN’s YouTube and Vimeo accounts); and
- No online material may give the impression of representing any ACN Company; this includes using “ACN” or anything similar as the title for any page within the website, especially the home page, or using misleading URLs.

c. Other Online Presence Used for ACN Business

An IBO who wishes to create or utilize an online presence for ACN business that is not expressly permitted under subsections III.6(a) or (b) above must notify and receive prior written approval from ACN. Further, an IBO must notify and receive approval from ACN before any material changes are made to any content that was previously approved by ACN. All such notifications should be sent to businessethics@acninc.com.

d. Access and Content Removal or Revision

You must allow ACN to access and monitor content included in any online presence used for ACN business. ACN reserves the right to require immediate removal or revision of content that ACN determines is in violation of the IBO Agreement or becomes inaccurate or problematic for any reason, including without limitation due to changes in ACN’s business, applicable law, or industry standards.

e. Website URLs

Website URLs obtained by an IBO cannot contain references to the ACN Intellectual Property or the names, trade names, or other intellectual property of any ACN Provider. If a website URL

contains such references, ACN may require the IBO to immediately release the URL to ACN at no cost to ACN.

III.7 Emails and Other Electronic Messages

There are strict laws that govern the sending of commercial electronic messages, including emails, SMS text messages, and direct messages sent through social media. IBOs may not use or transmit unsolicited commercial electronic messages (“spam”) except in compliance with these Policies & Procedures and may not in any event send unsolicited “spam”.

Spam includes any electronic message that encourages participation in commercial activity that is sent to an electronic address, including without limitation any information, advertising or promotional material relating to the ACN Products or the ACN Opportunity. IBOs may not send any commercial electronic messages in connection with their IBO business unless such messages strictly comply with these Policies & Procedures and all applicable laws and regulations. As such, IBOs may only send commercial electronic messages with the consent of the recipient or to recipients whom the IBO has already established a business or personal relationship. Further, as required by applicable law, all such messages must include the following:

- a clear and obvious identification that the message is an advertisement or solicitation (the words “advertisement” or “solicitation” should appear in the subject line of the message);
- A clear return path (i.e. the sender’s email address and/or telephone number must appear in the message);
- A proper and legal domain name;
- A clear and obvious notice of the opportunity to decline the receipt of further commercial messages;
- Unsubscribe or opt-out instructions appearing as the very first text in the body of the message and in the same or larger text size as the rest of the message;
- The true and correct name of the sender and the sender’s e-mail or physical mail address; and
- The date and time of the transmission of the message.

If a recipient notifies an IBO that they do not wish to receive electronic messages, the IBO must immediately stop sending messages of any kind to that recipient. IBOs will be held fully responsible for awareness of and compliance with all laws and regulations applicable to commercial electronic messages and must provide to ACN relevant records evidencing such compliance upon request.

III.8 Telemarketing

The United States has specific laws, rules and regulations that define and restrict telemarketing practices, including those implemented and enforced by the FTC, the FCC, and certain state agencies. These requirements include compliance with the national “do not call” (DNC) list and registration with the national DNC list operator and apply to unsolicited telephone calls and fax messages and the use of

automatic dialing and announcing devices. The use of telemarketing in connection with the IBO’s business, including without limitation any automated telephone solicitation equipment or “boiler-room” telemarketing operations, is prohibited.

III.9 Marketing Events

ACN encourages the use of “Regional Training Events”, “Super Saturdays”, “Business Opportunity Meetings”, “Private Business Receptions” and similar Events as ways to introduce prospective Customers and IBOs to ACN and to teach current and prospective IBOs how they can be successful with the ACN Opportunity. These Events must be conducted with professionalism and integrity and must otherwise comply with these Policies & Procedures.

Attending IBO-sponsored or ACN-sponsored Events is voluntary and IBOs may not state or imply to prospective or current IBOs that attendance at such Events is required to succeed with the ACN Opportunity.

When inviting a prospective Customer or IBO to a sales or training Event, IBOs must not mislead him or her about the purpose of the Event. All IBO-sponsored Events must have applicable disclosures required under Section III.4 above. The Event host(s) must be prepared to demonstrate to ACN their appropriate use of all required disclosures upon ACN’s request. IBO-sponsored Events are not intended to provide additional income to the Event host(s) and must be conducted on a not-for-profit basis; accordingly, entrance or cover fees may be no higher than what is required to cover the host(s)’ actual, reasonable out-of-pocket costs and expenses incurred to produce the Event. IBOs may not charge a fee to speak at an Event, but may be reimbursed for actual, reasonable out-of-pocket expenses incurred by the speaker to attend the Event, such as travel expenses.

ACN reserves the right to request details regarding such Events to ensure they are conducted in compliance with the IBO Agreement, and each IBO agrees to promptly provide such information upon request.

III. 10 Contests and Incentives

IBOs may not use contests, lotteries, sweepstakes, drawings or games of chance to promote ACN Products or the ACN Opportunity unless expressly authorized by ACN in writing. IBOs are prohibited from offering or providing any monetary or non-monetary incentive, promotion, prize, bonus or other benefit to a current or prospective Customer or IBO unless the benefit is made in accordance with the IBO Agreement and all other ACN requirements or as otherwise expressly authorized by ACN in writing. ACN strictly prohibits the use of cash or monetary incentives/promotions/prizes/bonuses created by the IBO for purposes of recruiting new IBOs. IBOs should only promote ACN- approved bonuses or promotions.

IV. BUILDING A SALES TEAM

IV.1 Building a Sales Team Generally

Building a sales team is a common feature of network marketing companies and ACN encourages IBOs to promote the ACN Opportunity

and to build a Downline. However, being a Sponsor or part of an Upline is not required, and it takes hard work and imposes additional obligations on the Sponsor and the Upline. An IBO who sponsors new IBOs agrees to be responsible to ACN for any actions or omissions of IBOs in their Downline that may result from the Sponsor's failure to properly fulfill their obligations as a Sponsor. IBOs do not earn qualifications or Compensation under the Compensation Plan for the recruitment of new IBOs; rather, all Compensation is based solely on the sale of ACN Products to Customers, and Customers' usage of and payment for ACN Products.

IV.2 Changing Sponsors

An IBO may change his Sponsor or re-join ACN as described in Section I.11 above under a new Sponsor only if (1) the IBO is re-joining as part of a new IBO position; and (2) at least twelve (12) months have passed from the date of termination of the IBO's previous IBO position; and (3) the IBO has had no involvement with any other IBO position during the immediately preceding 12-month period. If an IBO position is created in violation of the IBO Agreement, then that position will be eliminated, and the IBO may, in ACN's sole discretion, be terminated for the violation or moved, along with any created Downline, back to the original Sponsor/sales organization. ACN may change an IBO's Sponsor to correct errors by the IBO or ACN in submitting or processing an IBO Application, if an IBO was recruited using improper practices, or for any other reason deemed appropriate by ACN.

IV.3 Prohibition on Cross-Line Recruiting

IBOs are encouraged to work with other IBOs, including IBOs in other sales teams, for the development of their respective sales organizations. It is important that such activities are done with integrity and on the basis of mutual respect. Attempting to recruit IBOs from another sales team is unethical and damages ACN and other IBOs. Accordingly, you may not recruit, Solicit, or encourage, directly or indirectly, another IBO to leave one Sponsor or sales team to join another while you hold, or are a Participating Party in, an IBO position and for one year thereafter. In addition, you are prohibited from unethically recruiting prospective IBOs away from an IBO or sales organization that is already actively recruiting them. Unethical recruitment includes, without limitation, situations where an IBO (1) demeans, discredits, disparages or otherwise portrays negatively another IBO or organization; (2) makes false or misleading statements in connection with another IBO or organization; or (3) offers incentives to entice or attempt to entice a prospective IBO to become a part of their team over another IBO's team.

IV.4 Responsibilities of Sponsors and Upline IBOs

As a Sponsor or Upline IBO, you must use best efforts to coach and support IBOs in your Downline. Accordingly, Sponsors and Upline IBOs should communicate regularly with their Downline, both in writing and verbally, about ACN, the proper presentation of ACN Products and the ACN Opportunity, compliance with the IBO Agreement, and the legal and ethical obligations of all IBOs. Further, Sponsors should stay informed about new service and product developments, coaching opportunities, and changes to

the Compensation Plan and Policies & Procedures so that they can keep their Downlines informed.

V. THE IBO RELATIONSHIP

V.1 Independent Contractor Status

As an ACN Independent Business Owner, you are an independent contractor for all purposes under applicable federal, state, and local statutes, rules, regulations, directives, ordinances, guidance and other laws, including without limitation the Internal Revenue Code and all state tax, revenue and employment laws and regulations. You are not an employee, partner, agent, franchisee, or legal representative of any ACN Company, any ACN Provider, or your Sponsor. Subject only to applicable laws and regulations and your limited obligations under the IBO Agreement, as an IBO, you select your own means, methods and manner of work, which means you (1) select your own work hours and work location; (2) may work your IBO business as much or as little as you choose; (3) may work other businesses concurrently with your IBO business; (4) rely ultimately on your own independent skills in conducting your business; (5) report to no one at ACN; (6) may employ or contract with others over whom you have control; and (7) bear the full risk of loss in your business. As an IBO, you have no authority (express or implied) to legally bind any ACN Company or ACN Provider in any manner. You may not state, imply, or represent to any person that you are an employee of any ACN Company or ACN Provider, and you must not state, imply, or represent to a prospective IBO that they will become an employee of any ACN Company or ACN Provider. You acknowledge that you are not an employee and will not be treated as such for federal, state, or local tax purposes, or for purposes of the Social Security Act, the Federal Unemployment Tax Act, Federal Income Tax laws, state unemployment laws, workers' compensation, or any other laws, rules, or regulations relating to employment. All IBOs are responsible for paying all applicable local, state, and federal taxes due from any amounts earned through the IBO Agreement.

V.2 Responsibility for Expenses, Contractual Obligations and Taxes

a. Responsibility for Expenses and Contractual Obligations
The operation of your IBO position is your own independent business. As an IBO you conduct business for your own account and are solely responsible for all expenses, debts, and liabilities incurred in connection with your IBO position. In addition to the Start Up Fee, the Business Support Fee and the Renewal Fee (if applicable), the costs and expenses you may incur in operating your independent business may include, without limitation: (1) costs of licenses or permits required to operate your business; (2) fees for legal, tax, or other professional advice; (3) insurance costs; (4) office rental, equipment, and expenses; (5) travel, meal, entertainment, and accommodation expenses; (6) costs associated with hosting or attending Events; and (7) expenses associated with learning about, marketing or presenting ACN Products or the ACN Opportunity to prospective Customers or IBOs. ACN will not be responsible for paying or reimbursing you for these or any other costs or expenses incurred by you in connection with operating your independent business.

You may not involve ACN in any third-party contractual relationships related to your IBO position. IBOs have no authority to bind any ACN Company or ACN Provider. IBOs cannot sign contracts, rent or lease office space or equipment, open bank accounts, secure credit, cash negotiable instruments, make purchases, or enter into agreements of any kind in the name of any ACN Company or ACN Provider or take any other action that may impose any obligation, burden, liability, requirement, or negative impact on any ACN Company or ACN Provider.

b. Responsibility for Taxes

As an IBO, you are a self-employed Individual and thus you are solely responsible for compliance with all applicable tax laws including, without limitation, fulfilling any applicable legal requirements for reporting, deducting, or paying taxes on any Compensation you receive as an IBO, and making all requisite tax filings to the appropriate tax authority. ACN shall not be liable for such payments or any associated fines, penalties, liabilities, or interest for late payments or unpaid amounts. As such, you agree to indemnify and hold the ACN Companies harmless from all local, state, federal and other taxes, penalties, and/or interest on any income, commissions, or other earnings derived from the sale of ACN Products or other monetary or non-monetary Compensation earned from ACN or as an IBO.

ACN does not deduct any taxes from Compensation payments earned and paid in the United States, except if required by applicable law. For each tax year, ACN will send or make available a Form 1099 to all IBOs who earn at or above the threshold applied by the Internal Revenue Service for the relevant tax year, which threshold can be found at www.irs.gov. An IBO position owned by a PBE may be subject to different or additional obligations. It is your responsibility to understand the tax obligations applicable to your independent business and your IBO position, whether owned as an Individual or by a PBE, in any jurisdiction in which you conduct business. ACN does not provide tax advice to IBOs. Questions regarding tax matters should be directed to your personal tax advisor.

ACN cooperates with all requests from governmental and tax authorities regarding compliance by IBOs with applicable laws and regulations. Each IBO must provide ACN with all applicable taxpayer identification numbers that may be required for ACN's tax compliance purposes. If you provide incorrect information or if a tax authority notifies ACN that the information provided does not match its records, then ACN may withhold Compensation and/or take any other action deemed necessary by ACN until the matter is resolved.

V.3 IBOs and ACN Providers

Maintaining good relations with ACN Providers is critical to ACN's ability to promote quality services. IBOs may not contact ACN Providers for any reason, except that you may contact an ACN Provider's customer support department with respect to your personal Customer Contract with the ACN Provider. All other inquiries regarding ACN Products

provided by ACN Providers must be directed to ACN. IBOs may not take any actions that do or may conflict with the contractual relationship or goodwill between any ACN Company and any ACN Provider including, without limitation, (1) engaging or employing any Provider Personnel as a non-owner employee or contractor of the IBO's position; (2) recruiting or Soliciting any Provider Personnel; or (3) conducting Solicitation or recruiting activities at the retail stores or offices of any ACN Provider.

V.4 Relationships with Customers and other IBOs

Customers order ACN Products directly from the applicable ACN Provider and IBOs contract directly with ACN Companies. As between the ACN Providers and the ACN Companies on the one hand, and the IBO on the other, the ACN Provider or ACN Company owns the Customer or IBO relationship, as applicable. The IBO has no right or interest in, or control over, such relationship. ACN Providers may accept, reject, or cancel orders for ACN Products in their discretion. Similarly, ACN Companies may accept, reject, or cancel IBO Applications or IBO Agreements in ACN's sole discretion.

Customer orders are typically rejected or cancelled when the Customer's information is invalid or incomplete, or the order has an invalid, omitted or forged signature. When an order is rejected or cancelled for these reasons, Customers acquired as a result of such order will be removed from your Personal Customer List and any associated Compensation or qualifications earned by you and/or your Upline will be rescinded. In addition, you may be responsible for any losses or liabilities incurred by any ACN Company or the ACN Provider.

ACN Providers may also establish and change terms, conditions, and prices applicable to Customers of ACN Products from time to time, and may discontinue any product or service, in each case without notice and without liability or obligation to IBOs or Customers, subject only to the IBO Agreement or applicable Customer Contract. IBO qualifications and Compensation will be adjusted accordingly.

V.5 Use of ACN's Identity and Intellectual Property

ACN's brand identity and relationships with its Customers, IBOs and the ACN Providers are among its most valuable assets. This asset and other ACN Intellectual Property are protected by law and exclusively owned or licensed by the ACN Companies. You have no ownership in or any other right to any ACN Intellectual Property other than as expressly stated in writing by ACN. You may not use or alter any ACN Intellectual Property in any way without ACN's express written permission. ACN reserves the right, in ACN's sole discretion, to limit or revoke at any time any license or other right granted to you by ACN to use any ACN Intellectual Property, and any such right shall end automatically upon termination of the IBO Agreement.

Subject to the IBO Agreement and any other applicable terms and conditions, you may (1) identify that you are an "ACN Independent Business Owner" (you may not state or imply that you are an employee of or that you represent "ACN" or any other ACN Company or ACN Provider); and (2) you may use ACN Business Tools made available

by ACN from time to time for their intended purpose.

V.6 Consent to Use of IBO Likeness and Testimonial

As an IBO, you consent to the use by ACN of your name, testimonial (and/or other statements about the ACN Companies, the ACN Products, or the ACN Opportunity in printed or recorded form, including translations, paraphrases and electronic reproductions of the same), and image or likeness (as produced or recorded in photographic, digital, electronic, video or film media) in connection with advertising, promoting and publicizing the ACN Opportunity, ACN Products or any ACN-related or sponsored Events, and no further permission or any payment of royalties is required in connection with such use. Any such image or likeness taken, created, produced, recorded or commissioned by ACN is considered ACN Intellectual Property, and all rights thereto are solely owned by ACN. An IBO may not use such materials without the prior written approval of ACN. Further, any image or recording in any media that contains ACN Intellectual Property may not be used by an IBO without the prior written approval of ACN, which approval may be withheld, conditioned or delayed in ACN's sole discretion. The consents and restrictions contained in this Section V.6 will survive the termination of the IBO Agreement.

V.7 Media Inquiries and Appearances

Conveying an accurate, consistent and positive public image is important to preserve the reputation of the ACN Companies and the value of the ACN Opportunity. ACN's Marketing Department is trained in media relations and, accordingly, if an IBO is contacted by the media about any ACN Company, ACN Provider or ACN Product, or the ACN Opportunity, the IBO should promptly direct the inquiry to ACN. In communicating with the media about an IBO's independent business, the IBO may talk about his or her own activities and business but may not speak on behalf of the ACN Companies or the ACN Providers or present themselves as a spokesperson of the ACN Companies or ACN Providers.

V.8 Non-Use of Speaker and Celebrity Likeness, Recordings

IBOs are strictly prohibited from recording, filming, taping or otherwise capturing or broadcasting in any form whatsoever any presentations or appearances at any Event without ACN's prior written approval.

IBOs are prohibited from using, broadcasting, displaying, reproducing, distributing and reprinting in any form and through any media, the image or likeness in a photograph, video, digital medium, illustration or artwork, the name, the voice, or the biographical information of any ACN speaker, spokesperson, or celebrity endorser unless specifically approved in writing by ACN. Any permitted recording of an Event, or of any speech or presentation made by ACN's employees or representatives, is only permitted for private use and may not be posted, distributed, copied or broadcast in any format or media, or shown to current or prospective Customers or IBOs, without ACN's prior written approval.

You are prohibited from posting on any internet site, social media or application any video or audio content created by, produced by,

belonging to or relating to the ACN Companies, the ACN Providers, the ACN Products, or the ACN Opportunity, unless you have received express, written authorization from ACN, which authorization may be withheld, conditioned or delayed in ACN's sole discretion.

V.9 Business Cards

Only business cards ordered through ACN are authorized to include the ACN logo or other ACN Intellectual Property. If an IBO wishes to create their own business cards, the IBO may not use any ACN Intellectual Property or any other logos, names, trademarks and other proprietary information pertaining to any ACN Companies. They may however, refer to themselves on such business cards as an "ACN Independent Business Owner".

V.10 Use of ACN Facilities

ACN Companies may make ACN Facilities available for your use for the sole purpose of your IBO activities. You must comply with any rules and instructions established by the ACN Companies for the use of ACN Facilities, and you may not interfere in any manner with the use of ACN Facilities by ACN Companies, other IBOs, Customers, or third parties. The ACN Companies are under no obligation to offer any IBO access to ACN Facilities and reserves the right to limit or prohibit the use of ACN Facilities.

VI. COMPENSATION

VI.1 Compensation Generally

Qualifications and earnings under the Compensation Plan are based solely on the sale of ACN Products to Customers, and the payment for ACN Products by Customers. IBOs do not earn qualifications or Compensation for the recruitment of new IBOs. Purchasing ACN Products solely for the purpose of qualifying for Earned Positions or obtaining Compensation pursuant to the Compensation Plan, and for no other legitimate purpose, or encouraging others to do so, is a violation of these Policies & Procedures.

In order to receive Compensation, (1) your IBO Agreement must be in effect on the date the Compensation is earned and paid; (2) your IBO position must not be in a suspended status (e.g., in connection with a compliance investigation); and (3) you must be in compliance with the Agreement (provided that payment of Compensation to you is not a waiver by ACN of any IBO breach). If you have not provided bank account information, tax identification numbers, or other information required by ACN (such as Payment Method information), any Compensation payments will be held until the required information is received.

ACN reserves the right to modify the Compensation Plan in the exercise of its sole discretion, including without limitation to increase or reduce commissionable revenue by a percentage factor for promotional plans and products, negotiated pricing, or certain ACN Products. ACN also reserves the right to create, modify, or eliminate special incentives and bonuses from time to time.

VI.2 Commissions

Commissions are calculated based on the commissionable revenue on ACN Products used by your Customers and the Customers in your sales organization, according to the Compensation Plan for the country in which the ACN Products are provided. Commissionable revenue is billed revenue less taxes, non-revenue surcharges and an allowance for bad debt. For certain ACN Products, commissionable revenue is a specified dollar amount.

Commissions are released on the first (1st) business day following the third (3rd) Friday of each month. Commissions are paid the third (3rd) month after the close of the month in which the Customer is billed. So, if a Customer is billed for services in April, commissions will be paid on that Customer's usage in July. The commission qualifications listed on the Compensation Plan are minimum qualifications that must be met at the time commissions are calculated. ACN recommends that IBOs exceed the minimum qualifications in order to ensure that they remain fully qualified in the event that one or more Customers cancels service. All Customers submitted for your commission qualifications must be received and processed by ACN by 2 p.m. Eastern Standard Time on the first (1st) Friday of the month in order to count for the applicable month. IBOs must allow up to three (3) business days for Customers of ACN Providers to be received by ACN and applied toward position or commission qualifications.

VI.3 Customer Acquisition Bonuses (CABs)

To be eligible to receive a Customer Acquisition Bonus, you must meet the minimum qualifications under the Compensation Plan as of the new IBO's Start Date. Once the new IBO meets the applicable qualifications by acquiring the minimum number of personal Customer points within the required time period, then the CABs will be distributed to appropriate eligible Upline IBOs. Please refer to the IBO Back Office for additional information about CABs.

VI.4 Compensation Calculations and Adjustments

a. Customer Accounts

For Compensation Plan purposes, each Customer Account for ACN Services, including Digital Phone Service, Internet, Wireless Service, Satellite TV, Home Security, and Energy, is considered to be a single Customer (e.g., multiple phone numbers invoiced as a single account are deemed to be a single Customer). With respect to ACN Services, only Customers with active Customer Accounts are used to determine qualifications and Compensation. Customers who cancel their ACN Services and those who do not use the ACN Service for a period of months will no longer count as active Customers for qualification purposes. This process is known as "purging." The IBO's Personal Customer List will display all Customers that are scheduled to be purged and the date that the Customer will be purged so that the IBO can either contact that Customer or acquire new Customers in order to avoid losing qualifications. If a Customer who is scheduled to be purged, or has been purged, begins to use the applicable ACN Service again, the IBO who acquired the Customer will automatically receive credit for that Customer.

A Customer Account cannot count toward qualifications for

more than one IBO position and cannot be moved from one IBO position to another; however, existing Customers who later become an IBO can claim their own Customer Account from an existing IBO position forty-five (45) calendar days from the new IBO's Start Date.

Only completed Customer orders for ACN Products purchased from an ACN Company or an ACN Provider will be considered for purposes of qualifications or Compensation. ACN is not responsible for the payment of Compensation in the event the relevant ACN Provider fails for any reason to pay ACN any amounts that form the basis of such Compensation. Customer orders for which payment has not been received or for which a chargeback, refund, or return request has been made will not be included for purposes of determining qualifications or Compensation. ACN may reverse qualifications and adjust, rescind, or require repayment of Compensation to ACN if an IBO, Sponsor, or Upline receives qualifications or Compensation on the basis of a Customer order that is later rejected, deemed invalid, cancelled, or returned. ACN may reduce Compensation to an IBO based on sales that are deemed uncollectible due to the overall bad debt ratio for ACN in a country or on a specific Customer Account.

ACN is not required to use the compliance process set forth in Article VII below to make adjustments to qualifications and Compensation.

b. Payment Processing Fee and Minimum Payment

The Payment Processing Fee will be deducted from each commission payment. No commission payment will be issued until the total amount of such payment (less the Payment Processing Fee) is greater than \$10 USD. In addition, you will be responsible for (1) a \$10 USD re-issue fee anytime a payment is returned to ACN and requested to be re-issued, and (2) a \$25 USD stop payment fee anytime a stop payment must be placed, and a new payment issued. ACN reserves the right to hold any payment reissuance to ensure the original payment issuance is expired. You will also be responsible for an Account Maintenance Fee as defined and described in Section 13 of the US Terms and Conditions.

c. Compensation for International Sales

IBOs earn qualifications, fast start bonuses and other Compensation for sales made in the IBO's Home Country based on the Compensation Plan for the IBO's Home Country. If an IBO operates outside of its Home Country, the IBO's commissions and bonuses for sales made in other countries will be calculated based on the Compensation Plan of the country where the sales are made, and then converted into the currency of the IBO's Home Country for payment. The current Compensation Plans for all countries in which ACN operates are available in the IBO Back Office. Contact IBO Services if you have specific questions about the impact of international operations on your Compensation. ACN reserves the right to withhold or deduct from your Compensation any amounts arising from tax obligations imposed by other countries directly or indirectly in connection with your Compensation.

VI.5 Compensation Errors

If you believe that ACN has made an error in the calculation of Compensation or qualifications, or in properly attributing sales, Customers, or IBOs to your sales organization, you must report such error to ACN within ninety (90) days of the date the error first occurred. Failure to do so will be deemed a waiver by you of your right to contest the applicable qualification or Compensation or attribution.

VI.6 Earned Positions

To advance to an Earned Position and to be eligible to receive remuneration specified in the Compensation Plan for that Earned Position, you must meet the team structure and sales requirements for the Earned Position as detailed in the current Compensation Plan for your Home Country. Additional criteria may apply to specific bonuses and commissions. In order to be eligible to receive Compensation intended for Earned Position levels, IBOs must be at the Earned Position level on the date the applicable Compensation is calculated.

VII. COMPLIANCE INVESTIGATIONS, DISCIPLINARY ACTION, AND TERMINATION

VII.1 The ACN Business Ethics Department

The mission of the ACN Business Ethics Department is to ensure the integrity of the ACN Opportunity for IBOs, Customers, and the ACN Companies. The Business Ethics Department strongly believes in working with IBOs to promote their success, while ensuring that all IBOs operate ethically and in compliance with the IBO Agreement, the DSA code, and all other applicable laws, regulations, and ethical guidelines. The Business Ethics Department is committed to investigating potential violations of the IBO Agreement in a thorough, efficient and fair manner. ACN may initiate an investigation on its own initiative or based on information received from any Customer, IBO, ACN Company or ACN Provider, consumer protection organization, governmental agency, or other Individual.

ACN commits to treating IBOs who are involved in an investigation fairly and respectfully, and IBOs are required to cooperate fully with investigations and to respond to all inquiries from the Business Ethics Department promptly, truthfully, and completely. An IBO's failure to fully cooperate with an investigation is considered a compliance violation. ACN reserves the right, in its sole discretion, to interpret the applicability of its policies to a particular fact situation and to select the manner in which it enforces its policies. IBOs agree to be bound by ACN's final determination as to whether or not a compliance violation has occurred, and ACN's response to any such violation.

VII.2 Reporting Suspected Violations

If you believe that an IBO has committed a compliance violation, we urge you to first contact that IBO to address the issue directly and in good faith, as you may have misunderstood the situation, or the violation may have been unintentional or the result of the IBO's lack of understanding of his or her obligations; however, serious violations should always be promptly reported to ACN.

If you are unable to resolve the issue directly with the IBO or are uncomfortable approaching the IBO, you may report the suspected violation in writing to ACN. Your submission must include your name, the name of the IBO involved, the date, location, and nature of the suspected violation, and any supporting evidence. In order to ensure fair treatment of all parties involved in an investigation, anonymous reports may not be accepted. If you submit a report verbally, ACN may require that you follow up your report in writing and, in some instances, a signed statement or affidavit may be required. ACN will use reasonable efforts not to disclose your name as part of our investigation without your permission; however, please be aware that in some cases ACN may need to use your name. ACN takes allegations of wrongful behavior very seriously and making any allegation that you know to be false is in itself a compliance violation.

VII.3 Investigation Process

Suspected compliance violations will be investigated in ACN's discretion following the procedures established by ACN. IBOs suspected of a compliance violation and others with knowledge or information relevant to such investigation may be contacted by ACN by mail/post, telephone, email, or other means in order to attempt to determine the facts. IBOs are required to respond fully and accurately within the time stated in the communication from ACN. An IBO's failure to respond to a compliance inquiry may be deemed an admission of facts alleged against the IBO.

Upon review of all available information regarding the alleged violation, ACN reserves the right to determine in its sole discretion whether the IBO will be subject to disciplinary action. ACN will communicate its decision to the IBO by mail, email, telephone, or other means, advising of the results of the investigation and the intended corrective action.

VII.4 Appeals

An IBO may request review of a Business Ethics Department decision by submitting an appeal no later than fifteen (15) days following the date on which the IBO is advised of such decision. For an appeal to be considered, the IBO typically must provide relevant information that was not available to the IBO during the initial investigation, or present extraordinary circumstances, as determined in ACN's sole discretion. Appeals will normally not be considered if the IBO failed to respond during the compliance investigation. Once received, ACN will promptly review the appeal and communicate its decision to the IBO.

VII.5 Disciplinary Action

A finding by ACN that an IBO has committed a compliance violation may result in disciplinary action. The nature of the disciplinary action in a given case will depend on the nature and severity of the violation, the facts surrounding the violation, the degree of cooperation shown by the IBO, whether the violation was intentional or inadvertent, the IBO's compliance history, and the experience of the IBO. The appropriate disciplinary action taken in a given case is within the sole discretion of ACN.

Potential disciplinary actions include, but are not necessarily limited to, verbal and written warnings, temporary suspension of Compensation and/or the IBO position, fines or other financial penalties, revocation of Earned Position(s), repayment of previously paid Compensation that was not properly earned by reason of a compliance violation, removal of the IBO's Downline, removal of Customers from the IBO's PCL, and termination of the IBO Agreement. ACN may also revoke Earned Position(s) and require repayment of previously paid Compensation to Upline IBOs for a Downline IBO's violation. IBOs may be requested to acknowledge the disciplinary action in writing. IBOs who commit compliance violations may be required to pay any cost or expense incurred by ACN as a result of the IBO's actions, including any settlement payments or credits made to Customers, other IBOs, ACN Providers or third parties, fines or penalties imposed by government agencies, legal fees, and investigation expenses. ACN may deduct these amounts from amounts due to the IBO or pursue payment by other means in ACN's sole discretion.

a. Suspension

ACN may suspend payment of Compensation and/or suspend an IBO's position as a result of a compliance violation. ACN may impose a temporary suspension – either a Payment Hold or Distributorship Hold – while a compliance investigation is pending. An IBO subject to a "Payment Hold" may operate their IBO position and earn qualifications and Compensation but will not be paid Compensation unless and until the suspension is lifted. An IBO on "Distributorship Hold" may not conduct any activities as an IBO, must cease promoting ACN Products and the ACN Opportunity, and may not represent themselves as an ACN IBO until the suspension is lifted.

b. Termination

Termination of an IBO's Agreement and the permanent deactivation of the IBO position is the most severe disciplinary action to which an IBO may be subject. All rights and benefits of the IBO, including any claim to unpaid Compensation, and all obligations of ACN under the IBO Agreement, shall cease on the date of termination. In addition, any IBO whose position is terminated by ACN is prohibited from attending or participating in any Event following such termination. If the IBO was previously suspended, termination may be retroactive to the date of such suspension. IBOs that are terminated for disciplinary reasons shall not be entitled to a refund of Start Up Fees, Business Support Fees, or Renewal Fees.

VII.6 Upline Responsibility

If an IBO is found responsible for a compliance violation, any benefits earned by that IBO's Upline as a result of the violation may be revoked. This includes revocation of any Earned Position(s) and withholding or reversal and repayment of any Compensation previously due or paid to any Upline IBO. Upline IBOs also may be required to reimburse costs incurred by ACN if ACN is unable to recover such amounts from the IBO who committed the compliance violation, to the extent the Upline IBOs enabled, failed to take reasonable measures to

prevent, participated in, or encouraged the compliance violation.

VII.7 Cooperation with Law Enforcement

ACN cooperates fully with law enforcement agencies, courts, and other governmental authorities investigating alleged violations of law by IBOs. IBOs may not be notified of requests from law enforcement or other authorities. If an IBO commits a compliance violation that ACN believes may also violate the law, ACN reserves the right to report the incident to the relevant authorities without providing notice to the IBO.

VIII. MISCELLANEOUS PROVISIONS

VIII.1 Privacy and Personal Data

ACN and IBOs may receive or have access to Personal Data of Customers or IBOs in the course of operating their respective businesses. ACN collects, maintains, and processes Personal Data and confidential information from IBOs and Customers in accordance with ACN's Privacy Policy. The Privacy Policy is available on the ACN Websites. As an ACN IBO, you acknowledge your understanding and agreement to the contents of ACN's Privacy Policy.

In your IBO business, you may have access to Personal Data and confidential information of Customers and other IBOs, all of which is the Confidential Information of the ACN Companies. This Personal Data is not publicly known and could cause personal and financial damage to the individual from who it was obtained if misused, shared, disclosed or otherwise made available, directly or indirectly, advertently or inadvertently, to anyone other than the individual who provided it and those who require the information to deliver the specific ACN Products for which it was provided. As an IBO, you have the sole responsibility and are personally accountable for treating all Personal Data as Confidential Information and for using and handling it solely and exclusively for the limited purpose contemplated by the owner of such Personal Data when it is provided to you and otherwise in compliance with all data protection and privacy laws, regulations and standards, these Policies & Procedures, and the Privacy Policy. IBOs are prohibited from, directly or indirectly, using, selling, lending, leasing, distributing, licensing, giving, transferring, disclosing, disseminating, reproducing or otherwise communicating any Personal Data to any person or entity for any purpose other than that for which it was provided. You shall maintain the confidentiality of all Personal Data and shall exercise proper diligence and reasonable security measures to ensure that it is secured against access or taking by unauthorized persons, wherever such Personal Data may be stored, whether physically or electronically, and that it is processed, protected, redacted and/or destroyed in a manner that is consistent with the nature of the information and applicable laws, regulations, and standards. Any payment card or other sensitive payment information belonging to another IBO or Customer may not be retained and must be redacted or destroyed. In addition, you must obtain the clear, informed consent of the applicable Individual to all collections, uses, and disclosures of their Personal Data that you make in connection with your IBO business. These obligations

survive the non-renewal, cancellation or termination of the IBO Agreement. You acknowledge and agree that you, as an IBO, are personally accountable for the security of the personal data and other Confidential Information of Customers and other IBOs that is provided to you or otherwise accessed by you.

VIII.2 Confidential Information

As an IBO, you may receive Confidential Information, and you agree to treat such Confidential Information as strictly confidential and wholly owned by ACN, whether or not such Confidential Information has been marked as confidential or proprietary. Confidential Information is a broader category than Personal Data and can also include additional Customer or IBO information. During the term of your IBO Agreement, and for a period of no less than five (5) years there after or longer as permitted by applicable law (including perpetuity for Confidential Information that is also personal data or Confidential Information protected pursuant to ACN's Privacy Policy or that constitutes a protected trade secret), you must keep confidential and may not, directly or indirectly, use, sell, lend, lease, distribute, license, give, transfer, disclose, disseminate, reproduce, or otherwise communicate any Confidential Information to any third party unless authorized by ACN in writing. All reports that are provided by ACN, including but not limited to Downline Reports, PCLs, and any other information or data obtained through the IBO Back Office, or ACN Business Tools, are the proprietary and Confidential Information of ACN, whether or not an IBO pays a fee to access such reports, data or information. The obligations contained herein apply, without limitation, to the disclosure of identifying information of Customers and of the IBO's Upline or Downline or multi-level marketing channel, to any Individual or business (including IBO's agents, spouse, friends, or contacts) for any purpose. IBOs must take reasonable steps to safeguard and maintain the confidentiality of all Confidential Information, including without limitation by not making extra copies, by not sharing login credentials, and by storing in a secure location.

IBOs must inform ACN immediately if the IBO becomes aware of any breach of the requirements of this section, or of any loss of, unauthorized access to or disclosure of Confidential Information. The IBO must cooperate, at ACN's instruction, in the remediation of any such incident. The IBO must cooperate with any requests from ACN to verify the IBO's compliance with the privacy and confidentiality requirements under these Policies and Procedures, and the applicable laws.

VIII.3 Assumption of Risk, Responsibility for Third Parties, and Indemnity

There are risks inherent in operating any business. As an IBO you may wish to consult with professional advisors regarding the purchase of insurance and other ways to mitigate these risks for yourself and your independent business.

IBOs are not obligated to participate in Events (whether hosted by ACN or another person) or to use ACN Facilities. If you choose to participate in Events or use ACN Facilities, you do so in your capacity as the owner of your independent business and not as an employee, agent, or representative of ACN, even if you attend the Event or

use the ACN Facility at the invitation of an ACN Company, an ACN Provider, or another IBO. You assume all risk and responsibility associated with traveling to and from any Event or ACN Facility, for use of any ACN Facility and any equipment and amenities, and for participating in any Event.

Notwithstanding anything to the contrary contained in the IBO Agreement, you remain responsible for all actions taken in connection with your IBO position and the operation of your independent business, whether such action is taken by you, your employees, your contractors, your family or household members, your Downline, or any other third party. Similarly, if you are a Participating Party in a PBE, you are jointly and severally liable for the actions of the other Participating Parties and owners, directors, officers, employees, contractors, agents, and representatives of the PBE. Any conduct by such persons that, if performed by you, would violate the IBO Agreement, may be considered a violation by you and may subject you to disciplinary action.

VIII.4 Third Party Claims

You must advise ACN in writing of any allegation or actual or threatened claim or lawsuit brought or made against you or your Downline by a third party arising from or relating to the IBO Agreement, any ACN Company or ACN Products, the ACN Opportunity, ACN Intellectual Property, your conduct as an IBO, your IBO position or your independent business. You must advise ACN promptly upon receiving notice of such allegation, claim or suit and prior to taking any action in connection therewith, including, without limitation, any action that may damage ACN or limit ACN's ability to respond to the issue. ACN may take whatever action it deems appropriate including, but not limited to, controlling any litigation or settlement discussions, to protect the ACN Companies, their reputation, and their tangible and intangible property. You agree to cooperate in good faith with ACN in investigating and responding to any such allegation, claim, or suit.

VIII.5 Severability

Except as otherwise expressed provided in the IBO Agreement, if any provision of the IBO Agreement is found to be invalid or unenforceable for any reason, only the invalid portion of the provision shall be severed, and the remaining terms and provisions shall remain in full force and effect. The severed provision, or portion thereof, shall be reformed to reflect the purpose of the provision as closely as possible.

VIII.6 Excused Performance/Force Majeure; No Waivers

Neither ACN nor the IBO shall be liable to the other for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control, including, without limitation, strikes, labor difficulties, riot, war, fire, death, government decrees or orders, or an ACN Provider's failure to pay amounts owed to ACN for any reason. ACN never cedes its right to insist on strict compliance with the IBO Agreement and applicable law. No failure by ACN to exercise any right or power under the IBO Agreement or to insist on strict compliance by any IBO with any obligation under the IBO Agreement, and no custom or practice of ACN at variance with the terms of the IBO Agreement, shall constitute a waiver of ACN's right to demand strict compliance

with the IBO Agreement. Waiver by ACN will be valid only in writing by an authorized officer. ACN's waiver of any particular breach by an IBO shall not affect or impair in any way the rights or obligations of any other IBO.

VIII.7 Amendments and Supplemental Policies

In order to sustain a viable marketing company, ACN specifically reserves the right to make any amendments or adjustments it deems necessary with respect to the IBO Agreement including, without limitation, the US Terms and Conditions and these Policies & Procedures (subject only to the provisions contained in Section 26 of the US Terms and Conditions), the ACN Products offered, any marketing guidelines and/or pricing, and the Compensation Plan. Upon notification through the ACN Websites or other ACN communication channel(s), any such changes to the ACN Products offered, marketing guidelines and/or pricing, or the Compensation Plan, are incorporated as a part of the IBO Agreement. In addition, ACN may from time-to-time publish Supplemental Policies, including by posting on the ACN Websites or in the IBO Back Office. Each of these Supplemental Policies is incorporated as part of the IBO Agreement for so long as it remains in effect. ACN will provide IBOs notice of any new Supplemental Policy or material change to any existing Supplemental Policy, by email or other appropriate communication in accordance with the US Terms and Conditions. Any amendments to the Supplemental Policies will apply only on a prospective basis.

IX. GLOSSARY OF DEFINED TERMS

Capitalized words used in these Policies & Procedures and not otherwise defined herein have the meanings set forth below. Capitalized words that are not defined in this Glossary have the meanings set forth in the IBO Application, the US Terms and Conditions, the Compensation Plan, or in the text within the Policies & Procedures.

"ACN", "us", or "we" means ACN Opportunity, LLC (the company with which you entered into your IBO Agreement).

"ACN Business Tools" means marketing or promotional materials, applications, technology, reports, sales aids, tools and kits or other physical or virtual items offered by ACN to IBOs for use in connection with your IBO position, which may be purchased separately (not included with the Business Support Fee).

"ACN Company" or "ACN Companies" means ACN Opportunity, LLC and its parents, subsidiaries, and affiliates individually or collectively.

"ACN Compensation Plan" or "Compensation Plan" means the then-current compensation plan issued by ACN for the country or countries referenced in such plan.

"ACN Facilities" means locations and equipment provided by ACN Companies to IBOs for use in connection with their IBO positions, including but not limited to ACN Business Centers or Centers of Excellence, meeting space, office equipment, transportation, internet, phone, video conferencing services, websites, and administrative services.

"ACN IBO Personal Website" means a website hosted by ACN and available to, and personally customized for, each IBO.

"ACN Intellectual Property" means the name, trademarks, trade names, logos, marketing materials, trade secrets, processes, copyrights, corporate image and goodwill, and all other proprietary information owned or licensed by ACN Companies.

"ACN Opportunity" means the business opportunity provided by ACN to IBOs to promote and sell ACN Products and to build a sales team by sponsoring additional IBOs.

"ACN Products" means, collectively, the ACN Services and all physical goods, software, applications, or other materials offered for sale by ACN or ACN Providers. ACN Products do not include the ACN Opportunity or ACN Business Tools.

"ACN Provider" means a company with whom ACN contracts for the provision of ACN Products or ACN Business Tools. IBOs are not ACN Providers. ACN Companies may be ACN Providers.

"ACN Services" means telecommunications, energy, home security, or other services offered for sale by ACN or an ACN Provider.

"ACN Websites" means, collectively, the ACN corporate website available at www.acn.com, all associated URLs, and the various e-commerce websites used for each country.

"Agreement" or "IBO Agreement" means the US Terms and Conditions, these Policies & Procedures, any Supplemental Policies, and the ACN Compensation Plan, all of which form the contract between you and ACN.

"Business ID" or "Business ID Number" means the number assigned to you by ACN to identify your IBO position. It may also be referred to as a **"Team ID"** or **"IBO Number"**.

"Business Support Fee" means the monthly payment due to ACN by all IBOs in consideration of ACN providing the items specified in the US Terms and Conditions.

"Claim" means any claim, representation, hypothetical or other statement conveying an assertion of truth or fact (including an assertion of any actual, expected, or potential outcome or result). A Claim may be made in any format, including any message or verbal, pictorial, graphic, or symbolic depiction. As used in the IBO Agreement, the defined term "Claim" does not refer to or include claims in the legal sense, meaning assertions that one is intended to, or the perceived or actual right to receive, money or property that is enforceable in court.

"Compensation" means commissions, bonuses, and other amounts earned by or paid to an IBO pursuant to the ACN Compensation Plan.

"Compensation Plan" – see ACN Compensation Plan above.

"Confidential Information" means any proprietary and/or confidential data or information of an ACN Company which is not publicly known or available to competitors of the ACN Company. Confidential Information includes any personally identifiable information, including financial

or cardholder information. In addition, Confidential Information includes, without limitation, any and all information identifying Customers, IBOs, IBO sales organizations, prospective Customers and IBOs, qualifications, Compensation, ACN Products, ACN Product purchases, customer service needs or requirements, together with Customer names, addresses, email addresses, IP addresses, credit card numbers, bank account numbers, social security numbers, date of birth, and any other information, data or statistics whether obtained directly from a Customer or IBO or through an IBO's Back Office or otherwise provided or generated from information provided by ACN for tracking, analyzing, or describing the IBO position and its relationships and activities.

"Cooling Off Period" is the time period during which you may rescind your IBO Agreement and receive a refund of certain amounts paid to ACN to become or remain an IBO under this Agreement. The length of the Cooling Off Period in the United States for IBOs is thirty (30) days from the applicable Start Date or Renewal Date, although a longer period may be provided in certain jurisdictions where required by law.

"Customer" means a person or entity that purchases ACN Products. IBOs may also be Customers when they purchase ACN Products from an ACN Company or an ACN Provider. Such purchase by an IBO may be subject to additional or different terms and conditions than when made by a Customer that is not an IBO.

"Customer Account" means all of the ACN Services of the same type (e.g., internet, DPS, or cell phone) provided to a single Customer name, address, or household. Customers who purchase more than one type of ACN Service will have more than one Customer Account.

"Customer Acquisition Bonuses" (or "CABs") mean bonuses paid to IBOs for assisting newly sponsored IBOs in their sales organization to becoming qualified by acquiring the minimum number of personal Customer points within the required time specified in the ACN Compensation Plan.

"Customer Contract" means an agreement between a Customer and an ACN Company or an ACN Provider for the purchase of ACN Products directly from an ACN Company or an ACN Provider. The Product Purchase Terms and Conditions agreed to in connection with the purchase of the ACN Products are considered a Customer Contract.

"DSA" refers to the Direct Selling Association in the country to which the Policies & Procedures pertains. The DSA is a trade association that represents the direct selling industry.

"DSA Code" is a set of rules established by the DSA that are binding on ACN and, in some cases, on IBOs.

"Domestic Partner" means an Individual who is in a legally-recognized civil union, legally registered domestic partnership, or similar legally-recognized relationship with an IBO and who is the equivalent of a Spouse for legal, tax, and other purposes under applicable law.

"Downline" means (1) all IBOs sponsored by you, and (2) all other IBOs sponsored by the IBOs that you sponsored, and (3) the IBOs sponsored by those persons, and so on.

"Downline Report" means the list of IBOs identified by ACN as being the Downline associated with a particular IBO Business ID.

"Earned Position" means any position in the Compensation Plan Above Executive Team Leader.

"Earnings Representations" are more specifically defined in the DSA Code, but essentially mean any Claims that convey, expressly or by implication, actual or prospective sales, earnings, income or income level.

"Events" means events, meetings, activities, trainings, workshops, retreats, incentive trips, and other gatherings hosted by or related to any of the ACN Companies, the ACN Opportunity, the ACN Products, ACN Providers, or other IBOs.

"Home Country" means the country in which an IBO position is originally established.

"Independent Business Owner", "IBO", or "you" refers to an Individual (with respect to an Individual IBO Position) or the PBE and each Participating Party (with respect to a PBE Position) that has established an IBO position by entering into an IBO Agreement with an ACN Company.

"Independent Business Owner Application" or "IBO Application" means the physical or electronic form submitted by a potential IBO to apply to hold an IBO position.

"Initial Payment" means, collectively, the Start Up Fee and the Business Support Fee payment due for the first month of the term of your IBO Agreement.

"IBO Agreement" – see Agreement above.

"IBO Back Office" means the online portal provided by ACN where an IBO can access documents, ACN Business Tools, and other information for operating their IBO position. The name and location of the IBO Back Office varies by country.

"Individual" means a natural person.

"Individual IBO Position" means an IBO position operated by an Individual or Spouses or Domestic Partners.

"Legal Age" means the age that an Individual is no longer considered a minor in the jurisdiction in which the Individual resides and may legally enter into a binding contract in that jurisdiction.

"Participating Party" means a shareholder, partner, or beneficial owner of an IBO position, or any Individual that is permitted to Solicit Customers or recruit potential IBOs in connection with an IBO position. With respect to a PBE Position, any person directly or indirectly profiting from the PBE Position and holding an interest in the PBE Position equal to five percent (5%) or more of the total interest available therein, is a Participating Party in the PBE Position, whether or not that Individual participates in the day-to-day operations of the PBE, and each such Participating Party expressly authorizes the PBE Position's Primary Contact to act on their behalf with respect to the

PBE Position, including without limitation for purposes of renewing the PBE Position and consenting to the then-current IBO Agreement.

“Payment Method” means a valid credit or debit card account, the information for which is (i) provided by you to ACN to keep on file for purposes of processing any and all payments due to ACN under your IBO Agreement, and (ii) updated by you as necessary to permit ACN to process all such payments during the term of your IBO Agreement.

“Payment Processing Fee” means the amount deducted from each commission payment to cover processing costs relating to the issuance of the payment and the corresponding statement.

“PBE Position” means an IBO position held by a Permitted Business Entity and for which the Primary Contact and all other Participating Parties are jointly and severally liable.

“Permitted Business Entity” or **“PBE”** means a legal entity, such as a corporation, limited liability company, partnership, or trust, that is permitted to be an IBO pursuant to the Permitted Business Entity Requirements.

“Permitted Business Entity Addendum” or **“PBE Addendum”** means the addendum to the IBO Agreement that must be completed for a Permitted Business Entity to hold an IBO position, and forms a part of the contract between ACN and a PBE. The PBE Addendum varies by country and is available upon request or in the IBO Back Office.

“Permitted Business Entity Requirements” or **“PBE Requirements”** means the Permitted Business Entity Requirements – US documents attached to these Policies & Procedures as a supplemental policy and which are applicable to all PBEs.

“Permitted Testimonials” means statements that share characteristics of Earnings Representations, but that (1) are implied in the context of an IBO conveying his or her truthful experience with the ACN Opportunity, and (2) comply with all requirements contained in these Policies & Procedures.

“Personal Customer List” or **“PCL”** means the list of Customers identified in a report furnished by ACN Companies which are associated with a particular IBO Business ID.

“Personal Data” means personal information and data, including sensitive personal and financial data, such as names, addresses, gender, IP addresses, financial information including bank account or credit card numbers, social security numbers, date of birth, or email addresses, in each case relating to identified or identifiable persons.

“Policies & Procedures” means the document comprised of these ACN United States Policies & Procedures, all Supplemental Policies, and the Permitted Business Entity Addendum (if applicable). The Policies & Procedures form a part of the IBO Agreement.

“Product Purchase Terms and Conditions” means the terms and conditions that govern the purchase of ACN Products from ACN by a Customer, as shown on the ACN E-Commerce Website for each country.

“Prohibited Marketing Techniques” means mass marketing and the prohibited techniques and methods through which mass marketing is conducted including, without limitation, mass advertising (e.g., mass mail, email and fax blasts), purchased leads, marketing via a temporary or permanent retail presence, trade show participation for purposes of Customer acquisition, door-to-door selling, telemarketing, direct mail, and the use of auto-dialers or similar systems.

“Provider Personnel” means any employee, contractor, agent or representative of an ACN Provider.

“Renewal Date” means the date that is twelve (12) months from an IBO’s Start Date, and every twelve (12) months thereafter.

“Renewal Fee” means an amount paid by a current IBO to renew their IBO position and their IBO Agreement, the amount of which can be found in the IBO Back Office.

“Solicit” means, any action or communication intended to, solicit, entice, recruit, hire, enroll, sponsor, persuade, petition, induce, influence, or encourage, in each case in any way and through any means or method (including, without limitation, communications made affirmatively or responsively, directly or indirectly, expressly or implicitly, or personally or through or with one or more third parties). “Solicitation” is the act of “Soliciting,” and includes, without limitation, person-to-person meetings, phone calls (e.g., direct phone calls and three-way calls), emails, text messages, chat messages, or social media postings.

“Sponsor” means the IBO under whose Business ID a new IBO is registered in ACN’s database.

“Spouse” means a legally married Individual.

“Start Date” means the date that your IBO Application is accepted by ACN.

“Start Up Fee” means the one-time payment required as a condition to establishing an IBO position.

“Supplemental Policies” means, collectively, the additional information published by ACN from time to time and made available to IBOs that is identified as being a part of these Policies & Procedures. The Supplemental Policies are available through the ACN Websites and the IBO Back Office, and form a part of the IBO Agreement.

“Transfer Fee” means the fee that is paid to ACN for the processing of the transfer or sale of an IBO position.

“Upline” means (1) your Sponsor, and (2) the IBO that sponsored your Sponsor, and (3) the IBO above that sponsored your Sponsor’s Sponsor, and so on.

“US Terms and Conditions” means the Independent Business Owner US Terms and Conditions that are part of the IBO Agreement.

“You” means the IBO, including any Individual, PBE, or Participating Party that operates or participates in an IBO position.



ACN US SUPPLEMENTAL POLICY RESTRICTIONS AND REQUIREMENTS FOR DISH-RELATED TELEMARKETING

ACN Opportunity, LLC (“ACN”) values consumers’ privacy and right not to receive unwanted telemarketing calls. This policy (this “DISH-Related Telemarketing Policy” or this “Policy”) sets forth ACN’s restrictions and requirements for all Independent Business Owners (“IBOs”) regarding any telemarketing involving DISH Network, L.L.C. (“DISH”) goods and services. This DISH-Related Telemarketing Policy is part of, and incorporated into, the IBO Agreement (which includes the US Terms and Conditions, the ACN Policies & Procedures, the Permitted Business Entity Requirements, and all other Supplemental Policies that ACN may implement from time-to-time) and documents each IBO’s obligations with regard to telemarketing concerning DISH goods or services. To the extent that any of these requirements conflict with requirements in the IBO Agreement, the terms set forth in this DISH-Related Telemarketing Policy shall control.

A. Prohibition of Telemarketing DISH Goods or Services

ACN IBOs are strictly prohibited from engaging in any telemarketing activities, including placing any outbound telemarketing, about DISH goods or services. This means that IBOs may not place or send any telemarketing call, text message or facsimile transmission (collectively, a “Call”) that markets or otherwise promotes DISH goods or services. A violation of this DISH-Related Telemarketing Policy is a violation of the IBO agreement and the IBO will be subject to suspension or termination of its IBO status, together with any other recourse available to ACN under the IBO Agreement.

B. Internal Do Not Call Procedures

If an IBO receives a request by a consumer not to receive DISH-related telemarketing calls (or says something similar), IBOs must add the phone number(s) to the IBO’s Do Not Call list and also promptly submit the applicable phone number(s) to ACN IBO Services, so that ACN can upload the phone number to the DISH master Do Not Call list. To the extent an IBO receives a request by a consumer for a copy of its Do Not Call Policy, the IBO shall provide a copy of this policy or substantially similar statement as soon as possible.

C. Training

IBOs shall train their downline with respect to this Policy at least annually and within thirty (30) days of each downline IBO’s sign-up date if such downline IBO’s work may involve actions relevant to this Policy.

D. Recordkeeping

IBOs must maintain records for ten (10) years demonstrating compliance with this DISH-Related Telemarketing Policy, including that they do not place any telemarketing Calls involving DISH goods or services, and that they comply with this Policy and the internal Do Not Call procedures contained herein.

E. Monitoring and Enforcement

ACN reserves the right to take such actions as may be necessary to monitor and enforce compliance with this Policy. In the event that ACN discovers non-compliance with this Policy by an IBO, such non-compliant IBO will face suspension or termination of IBO status, together with any other recourse available to ACN under the IBO Agreement.

F. Questions

For any questions concerning this policy, please contact ACN IBO Services.

ACN US SUPPLEMENTAL POLICY

PERMITTED BUSINESS ENTITY REQUIREMENTS

ACN allows a Permitted Business Entity (PBE) to operate an IBO position as a matter of convenience for its IBOs but views each individual in the PBE as the IBO and each is personally responsible for the IBO position. A PBE may be used to operate an IBO position under the conditions set forth in this Permitted Business Entity Requirements – US document. PBEs must also satisfy all requirements applicable to Individual IBO positions. Capitalized terms used in these PBE Requirements but not defined herein shall have meanings given to such terms in the ACN Policies & Procedures. In the event of a conflict between the terms contained in these PBE Requirements and those in the ACN Policies & Procedures, these PBE Requirements will control.

Applying to Become an IBO

A PBE may apply to become an IBO by completing and submitting to ACN the IBO Application and the Permitted Business Entity Addendum (available upon request or in the IBO Back Office), and providing the additional documents required by these PBE Requirements and the PBE Addendum. The IBO Application must be submitted by the PBE's Primary Contact (see below).

ACN may reject a request to operate an IBO position using a PBE for any reason. If accepted, a PBE will operate as a PBE Position, and the PBE and each Participating Party in their individual capacity will be the IBO for purposes of the IBO Agreement.

Permitted Entity Types and IBO Position Names

The following types of business entities may apply to become an IBO:

- Limited Liability Company;
- General Partnership;
- Limited Partnership;
- Closed/Private Corporation (for profit); and
- Trusts.

Publicly held companies may not be IBOs.

PBEs must be formed in the United States and must be in existence at the time the IBO Application is submitted. The name used to operate a PBE Position must be the same as the legal name of the PBE as stated in the PBE's official formation documents. The use of fictitious names (i.e. "doing-business-as" names or "DBAs") may be permitted with ACN's prior written consent, provided that any request for such consent shall be accompanied by documentation evidencing the registration of the fictitious name.

PBE Contact Persons

Every PBE must identify a Participating Party as the PBE's Primary Contact. A PBE organized as a corporation must designate an Individual that is one of its shareholders or directors as the Primary Contact. A limited liability company must designate an Individual that is

one of its members as the Primary Contact. A General Partnership or Limited Partnership must designate an Individual that is one of its general partners as the Primary Contact. Only trustees may serve as the Primary Contact for PBEs organized as Trusts.

The Primary Contact will have authority to act for all matters relating to the PBE Position and will be primarily responsible for supervising the activities of the PBE Position. The Primary Contact is responsible for all communications with ACN. Each Participating Party will be required to accept the IBO Agreement applicable to the PBE Position by signing the PBE Addendum upon enrollment and each subsequent update to the IBO Agreement as required by the US Terms & Conditions.

With respect to the PBE Position, only Participating Parties may promote the ACN Products and the ACN Opportunity to prospective and existing Customers and IBOs for the PBE Position. Each Participating Party must (i) be identified in and sign the PBE Addendum, (ii) meet the requirements for being an IBO as set forth in Section I.1 of the Policies & Procedures, and (iii) comply with the rules on multiple IBO positions as set forth in Section I.14 of the Policies & Procedures. Each Participating Party agrees to be bound by the IBO Agreement as the IBO in the Participating Party's individual capacity, and to be jointly and severally responsible and liable to ACN with respect to the PBE Position and the actions of the PBE and each other Participating Party, and, further, each Participating Party acknowledges and agrees that the Primary Contact is expressly authorized to act on behalf of such Participating Party and the PBE.

The Primary Contact must notify ACN of any changes to the Participating Parties or any change that could affect the operation of the PBE Position and submit an updated PBE Addendum reflecting any such changes.

The Primary Contact may designate other Participating Parties as "Authorized Contacts" for the PBE Position. Authorized Contacts have full authority to act for and bind the PBE Position.

Conversion from Individual IBO to PBE IBO

An IBO who wishes to convert ownership of its IBO position from an Individual to a PBE must submit a written request to ACN and complete the PBE Addendum. The terms and conditions of these PBE Requirements must be met at the time of conversion. The IBO requesting the conversion must become a Participating Party of the PBE Position or the transaction will be considered a sale under Section I.12 of the Policies & Procedures.

Changes of Ownership of PBEs

PBEs must obtain prior approval from ACN for any changes in ownership or the Participating Parties in the PBE Position. The Primary Contact must provide a new PBE Addendum to ACN when an approved change is completed. Changes in PBE Position ownership of 50% or more are considered sales and are subject to the requirements of Section I.12 of the Policies & Procedures.

A PBE may replace a departing Participating Party if the new Participating Party has not been associated with another ACN IBO for the previous twelve (12) months. In the event of a replacement or departure of a Participating Party, the Primary Contact must provide an updated PBE Addendum to ACN. A departing Participating Party may establish a new IBO position by fulfilling all applicable requirements set forth in the IBO Agreement, provided that if the new IBO position is formed within twelve (12) months from departure, that new IBO position must be sponsored directly by the PBE Position from which the Participating Party departed.

Termination of a PBE

If a PBE Position is terminated, no Participating Party may participate in a new IBO position within twelve (12) months thereafter except under the PBE Position's original Sponsor, and only if the Participating Party's beneficial interests in the terminated PBE Position and the new IBO position comply with Section I.11 of the Policies & Procedures. The Primary Contact for the terminated PBE Position may request reactivation of the original PBE Position, which ACN may grant in its sole discretion.