## LevAl, Inc.

# Statement of Policies & Procedures

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#### 1.0 INTRODUCTION

#### 1.1 Mutual Commitment Statement

- a) LevAl, Inc. (hereinafter referred to as ("LevAl" or "Company") strives to develop a long-term and mutually rewarding relationship with its Partners and Members. In the spirit of mutual respect and understanding, LevAl is committed to:
  - (i) Providing prompt, professional, and courteous service to its Partners and Members:
  - (ii) Providing the highest level of quality products at fair and reasonable prices;
  - (iii) Refunding the purchase price of any product, service, or membership as provided in LevAl's return policies contained herein;
  - (iv) Paying commissions accurately and on a timely basis;
  - (v) Maintaining a mutually beneficial Compensation Plan;
  - (vi) Implementing changes to the Compensation Plan or this Statement of Policies and Procedures (the "Policies and Procedures") with input from Partners and/or Members (Note: such changes will be effective thirty (30) days after the date any such changes are published by LevAI)
  - (vii) Supporting, protecting, and defending the integrity of the LevAl Business Opportunity;
- b) In return, LevAl expects that its Partners will:
  - (i) Conduct themselves in a professional, honest, and considerate manner;
  - (ii) Present LevAl Corporate and LevAl product information in an accurate and professional manner;
  - (iii) Present the Compensation Plan and return policies in a complete and accurate manner;
  - (iv) Not make exaggerated income or product/service claims;
  - (v) Make reasonable effort(s) to support and train other Partners and Members in their downlines;
  - (vi) Not engage in cross-line recruiting, unhealthy competition, or unethical business practices;
  - (vii) Provide positive guidance and training to LevAl Partners and Members in their downline while exercising caution to avoid interference with other downlines. As such, a Partner is discouraged from providing cross-line training to other Partners' Members in a different Organization without first obtaining the consent of the Partner or Member's upline leader;

(viii) Support, protect, and defend the integrity of the LevAl business opportunity.

#### 1.2 Code of Ethics

- a) LevAl desires to provide its Independent Partners with the best products and Compensation Plan in the industry. Accordingly, LevAl values constructive criticism and encourages the submission of written comments addressed to the LevAl Compliance Department.
- b) Partner's negative and disparaging comments about LevAI, its products, these Policies, or Compensation Plan, made to LevAI, or to the field or at any LevAI meeting and/or event, or disruptive behavior at any meeting and/or event, serve no purpose other than to dampen the enthusiasm of other Partners and Members. LevAI Partners must not belittle LevAI, fellow LevAI Partners, LevAI products or services, the Compensation Plan, or any and all LevAI directors, officers, employees, product suppliers, or agents. Such conduct represents a material breach of these Policies and Procedures and may result in suspension or termination of the offending Partner Account.
- c) LevAl endorses the following code of ethics:
  - (i) A LevAl Partner must show fairness, tolerance, and respect to all people associated with LevAl, regardless of race, gender, social class, or religion, thereby fostering a "positive atmosphere" of teamwork, good morale, and community spirit.
  - (ii) A Partner shall strive to resolve business issues, including conflicts or disagreements with Upline and/or downline Organization Partner with tact, sensitivity, and goodwill, and take care not to create additional conflict.
  - (iii) LevAl Partners must be honest, responsible, professional, and conduct themselves with integrity.
  - (iv) LevAl shall not make disparaging statements about LevAl, other Partners, LevAl employees, product suppliers or agents, products, services, sales, and marketing campaigns, or the Compensation Plan.
  - (v) LevAl Partners shall not make statements that unreasonably offend, mislead, or coerce others.
- d) LevAl may take appropriate action against a Partner if it determines, in its sole discretion, that a Partner's conduct is detrimental, disruptive, or injurious to LevAl or other Partners.

#### 1.3 The Partner Agreement

- a) Throughout these Policies & Procedures, when the term "Agreement" is used, it collectively refers to the most current version of the following, along with any addendums or exhibits thereto: (i) LevAl Policies and Procedures; and (ii) LevAl Compensation Plan.
- b) It is the responsibility of the Sponsoring Partner to provide the most current version of these Policies and Procedures (available on the LevAl website), the Income Disclosure

Statement, the Compensation Plan, and any and all social media guidelines or any other guidelines which may be implemented from time to time, and any amendments thereto to their downline Partner. The Income Disclosure Statement is attached as <u>Addendum 1</u> and is incorporated by reference for all purposes.

#### 1.4 Amendments to the Partner Agreement

- a) Because federal, state, and local laws, as well as the business environment, periodically change, LevAl reserves the right to amend the Agreement as set forth on its website in its sole and absolute discretion. Notification of amendments shall appear in official LevAl materials, LevAl website, social media outlets, and/or the Partner's back office.
- b) Any such amendment, change, or modification shall be effective thirty (30) days following notice by one of the following methods:
  - (i) Posting on the official LevAl website;
  - (ii) Electronic mail (e-mail); or
  - (iii) Any LevAl communication channels or social media outlets (i.e., Facebook, Instagram, Twitter, and/or LevAl App).

#### 2.0 BASIC PRINCIPLES

#### 2.1 Independent Contractor Status

a) A LevAl Independent Partner is an independent contractor. An Independent Partner is not a franchisee, joint venture Partner, business Partner, employee, or agent of LevAl, and a LevAl Independent Partner is prohibited from stating or implying, whether orally or in writing, otherwise. An Independent Partner has no authority to bind LevAl to any obligation. LevAl is not responsible for payment or co-payment of any employee benefits. An Independent Partner is responsible for liability, health, disability, and workmen's compensation insurance. A LevAl Partner is responsible for their own managerial decisions and expenditures, including all estimated income and self-employment taxes. A LevAl Independent Partner sets their own hours and determines how to conduct their LevAl Independent Partner business, subject to the LevAl Independent Partner Agreement and any other guidelines that may be implemented from time to time.

#### 2.2 Becoming a LevAl Partner

- a) To become a Partner, an applicant must:
  - (i) Be of the age of majority (not a minor) in his or her state of residence;
  - (ii) Reside or have a valid address in the United States, U.S. territory, or Canada in which LevAl is licensed to operate.
  - (iii) Have a valid taxpayer identification number (i.e., Social Security Number, Federal Tax ID Number (EIN);

- (iv) Enter a verified mobile phone number that is not in use or associated with any other LevAl accounts, which will be verified through a verification code sent to the applicant's mobile phone number.
- (v) Acknowledge and agree to all communications sent by LevAl (including but not limited to emails, texts, broadcasts, letters, etc.), with the choice to "opt out" of these communications.

#### 2.3 New Partner Enrollment

- a) A potential new Partner may self-enroll on any Partner/Sponsor's website, subject to acceptance by LevAl of the applicant's online enrollment, confirming the applicant has agreed to all terms and conditions of the Partner Agreement.
- b) Electronically submitted and/or signed documents, including, but not limited to, online submissions, automated credit card processing authorization documents, and the Partner Agreement, are legally binding contracts that must not be altered, tampered with, or changed in any manner after they have been signed and/or submitted. False or misleading information, forged signatures, or alterations to any document, including business registration forms, may lead to sanctions, up to and including involuntary termination of the offending Partner's Account.
- c) An applicant enrolling with LevAl must identify a Sponsor in the online enrollment process. If the applicant later enrolls and identifies a different Sponsor, LevAl will not accept the later enrollment. LevAl reserves the right, at its sole discretion, to make the final decision with respect to any disputes regarding Partner enrollments and Sponsors.

#### 3.0 LEVAI PARTNER RESPONSIBILITIES

#### 3.1 Training and Leadership

- a) Sponsoring Partners should have ongoing contact and communication with the Partners in their downline Organizations. Examples of communication may include, but are not limited to, newsletters, written correspondence, personal telephone calls, team conference calls, voicemail, e-mail, personal meetings, training sessions, events, workshops, and any other related functions.
- b) A Sponsoring LevAl Partner should monitor the Partners in his or her downline Organizations to ensure that downline Partners do not make improper product or business claims or engage in any illegal or inappropriate conduct. Upon request, a Partner must provide documented evidence to LevAl of his or her ongoing fulfillment of the responsibilities set forth in this Section 3.1.
- c) Up-line Partners are encouraged to educate and train new Partners about LevAl's products and services, effective sales techniques, the Compensation Plan, along with compliance with these Policies and Procedures, and any and all social media guidelines or any other guidelines issued by LevAl. Marketing services is a required activity in LevAl and must be emphasized in all Recruiting presentations.
- d) <u>Use of Sales Aids.</u> To promote LevAl products and the LevAl business opportunity, Partners are encouraged to use the sales aids and support materials produced or expressly

authorized by LevAI. Partners may use and publish marketing materials they design only after such materials have been approved by LevAl. A Partner's unauthorized use of sales aids or promotional materials, including but not limited to Internet advertising, and social media marketing on Facebook, Instagram, and like, is a violation of these Policies and Procedures. Additionally, publishing marketing materials that violate any number of statutes or regulatory laws governing how LevAl's products or business opportunity may be marketed is a violation of these Policies and Procedures and may result in immediate termination of the publisher's LevAl Account. Any such violations could jeopardize the LevAl opportunity for all Partners. Accordingly, Partners must submit via email all sales aids, promotional materials, advertisements, websites, training material, and flyers, along with any other literature, to LevAl's Compliance Department for approval prior to use at guidelinesupport@getlev.ai. Unless the Partner receives specific written approval to use the material(s), the request shall be deemed denied. All Partners shall safeguard and promote the good reputation of LevAl and its products. The marketing and promotion of LevAl, the LevAl opportunity, the Compensation Plan, and LevAl products and services shall be consistent with the public interest and must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct or practices.

#### 3.2 Sponsorship

- a) The Sponsor is the person who introduces a Partner or Member to LevAl, helps them complete their enrollment, and supports and trains those in their downline.
- b) LevAl recognizes the Sponsor as the name shown on an applicant's first enrollment submission to LevAl.
- c) An applicant may not enroll with LevAl as a Partner without personally accepting and agreeing to the terms and conditions of the LevAl Agreement.
- d) LevAl recognizes that each new prospect has the right to ultimately choose his or her own Sponsor, but LevAl will not allow Partners to engage in unethical sponsoring activities.
- e) All active Partners in good standing have the right to Sponsor and enroll others into LevAl. While engaged in sponsoring activities, it is not uncommon to encounter situations when more than one Partner will approach the same prospect. In this scenario, the new prospect should be Sponsored by the first Partner who presented a comprehensive introduction to LevAl products or business opportunity.
- f) In the event of a dispute regarding Sponsorship, LevAl reserves the right to designate a prospect's Sponsor, and all such determinations are final.

#### 3.3 Unethical Sponsoring

- Unethical sponsoring activities include, but are not limited to, enticing, bidding, or engaging in unhealthy competition by attempting to acquire a prospect or new Partner away from a fellow Partner or influencing another Partner to transfer to a different sponsor.
- b) Allegations of unethical sponsoring must be reported in writing to the LevAl Compliance Department within the first 30 days of the new Partner enrollment in question. If the reports are substantiated, LevAl may transfer the Partner or the Partner's downline to another

Sponsor or Organization without approval from the current up-line Sponsor. LevAl remains the final authority in such cases.

- c) LevAl prohibits the unauthorized manipulation of the LevAl Compensation Plan and/or marketing plan to trigger commissions or cause the promotion of a downline Partner in an unearned manner (hereinafter, "Stacking"). For example, Stacking occurs when a Sponsor places a Partner(s) under an inactive downline without the Partner's knowledge in order to trigger unearned qualification for commissioning purposes. Stacking is unethical and unacceptable behavior, and as such, it is a punishable offense that may result in the immediate termination of Accounts of all Partners, individuals, and/or entities found to be involved.
- d) Any Partner who solicits or entices members of another direct sales company to sell or distribute LevAl products and services bears the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against a Partner alleging that they engaged in inappropriate Recruiting of another company's sales force or customers, LevAl will not pay any of the Partner's defense costs or legal fees, nor will LevAl indemnify the Partner for any judgment, award, or settlement.

#### 3.4 Cross Sponsoring Prohibition

- a) "Cross sponsoring" is defined as the enrollment into a different Line of Sponsorship of an individual or Business Entity that was already previously enrolled as a Partner. Actual or attempted Cross Sponsoring is strictly prohibited and may result in termination of the offending Partner's Account.
- b) Enrollment through the use of a Spouse or relative's name, trade name, assumed name, Business Entity, or fictitious identification of any kind to evade or circumvent this Cross Sponsoring Policy is strictly prohibited.
- c) This Policy does not prohibit the transfer of a LevAl Account and business in accordance with the Transfer of Sale or Transfer Policy set forth in these Policies.

#### 3.5 Solicitation for Other Companies or Products

- a) A LevAl Partner and/or Member may participate in other direct sales, multilevel, network marketing, or relationship marketing businesses or marketing opportunities. However, during the Term of this Agreement and for six (6) months thereafter, a LevAl Partner may not recruit any fellow LevAl Partner or Member for any other direct sales or network marketing business, unless that fellow Partner or Member was personally sponsored by such Partner.
- b) The term "recruit" means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another Partner, or Member to enroll or participate in any direct sales or network marketing opportunity. This conduct represents recruiting even if the Partner's actions are in response to an inquiry made by another Partner or Member.
- c) A Partner may not display or bundle LevAl products or services, in sales literature, on a website, or in sales meetings, with any other products or services to avoid confusing or

- misleading a prospective Member or Partner into believing there is a relationship between the LevAl and non-LevAl products and services.
- d) A LevAl Partner may not offer any non-LevAl opportunity, products, or services at any LevAl-related meeting, live or virtual, event, seminar, or convention that other LevAl Partners or Members are known to be attending, or immediately following a LevAl event.
- e) A violation of any of the provisions in this section shall constitute unreasonable and unwarranted contractual interference between LevAl and its Partners and would inflict irreparable harm on LevAl. In such an event, LevAl may, at its sole discretion, impose any sanction it deems necessary and appropriate against such Partner or such Partner's positions, including termination, or seek immediate injunctive relief without the necessity of posting a bond in addition to any other legal remedies to which LevAl may be entitled.

#### 4.0 AGREEMENTS & GENERAL UNDERSTANDINGS

#### 4.1 Rights Granted

- a) LevAl hereby grants to the Partner a non-exclusive right, based upon the terms and conditions contained in the Agreement to:
  - (i) Purchase LevAl products and services;
  - (ii) Promote and sell LevAl products and services; and
  - (iii) Sponsor new Partners and Members in countries where LevAl is currently authorized to do business or becomes authorized to do business in the future.
- b) No feature of the Compensation Plan constitutes a personal purchase requirement to become a Partner, move up in rank, or otherwise fully participate in the Compensation Plan. No product purchase is required of anyone at any time to fully participate as a Partner.

### 4.2 LevAl Account Renewals and Termination of the Partner LevAl Account Due to Nonpayment of the Annual Membership Renewal Fee.

- a) A Partner must pay a membership fee upon enrolling with LevAl and a membership renewal fee on an annual basis thereafter. If a Partner fails to pay the annual membership renewal fee within sixty (60) days of when it is due, the Partner Account will be terminated and the Partner will lose any and all rights to the Account downline Organization, and any commissions and/or bonuses associated therewith. The Partner shall not be eligible to reenroll with LevAl as a Partner for six (6) months following termination of the Account. Upon termination of the Account, the downline Organization will roll up to the immediate, active Upline Sponsor.
- b) If a Partner pays the membership renewal fee after it is due but within the sixty (60) day grace period set forth in Section 4.2(a) above, the Partner will resume the rank and positions held immediately prior to the membership renewal fee due date. However, such a Partner's paid as level will not be restored unless that Partner qualifies at that level in the new month. The Partner is not eligible to receive commissions or bonuses for any part of the sixty (60) day grace period during which the annual membership renewal fee is unpaid.

c) By enrolling as a Partner, you consent to LevAl charging your card an annual membership fee. This fee will be charged each year you elect to remain a Partner. If you would like to cancel your membership or otherwise modify the method of payment or recurring charge, you may do so by contacting LevAl at <a href="mailto:support@getlev.ai">support@getlev.ai</a>.

#### 4.3 Effect of Termination

- a) Following voluntary or involuntary termination of a Partner's LevAl Account (collectively, "termination"), such Partner:
  - (i) Shall have no right, title, claim, or interest to any commission or bonus from the sales generated by the Partner's former Organization or any other payments in association with the Partner's terminated Account;
  - (ii) Effectively waives any and all claims to property rights or any interest in or to the Partner's former Downline Organization; and
  - (iii) Shall receive commissions and bonuses only for the last full pay period in which the Partner was active prior to termination, less any amounts withheld during an investigation preceding an involuntary termination, and less any other amounts owed to LevAI.
  - (iv) Upon termination or dormancy due to inactivity for one (1) year or more, the Partner forfeits all funds in its commissions and/or Pay-Out Accounts and authorizes LevAl to seize funds and close the Accounts.

#### 4.4 Modifying a Partner's LevAl Account

a) A Partner may modify his or her existing LevAl Account to add a Spouse or partner to the Partner's Account or change the form of ownership from an individual to a Business Entity by submitting a written request to LevAl's Support Department to make such modification.

#### 4.5 Unauthorized Transfer & Re-Enrollment

a) In the event a Partner discovers that a Partner in their downline has re-enrolled under a different Partner, the Partner has thirty (30) days from the date the downline Partner enrolled under a new Partner to notify the LevAl Compliance department and request the downline Partner be transferred back to his/her downline. Upon the expiration of the thirty (30) day notice period, the right to re-claim a new Partner to his or her downline will be waived.

#### 4.6 Change of Sponsors for Partner

- a) Sponsor changes/corrections may be requested within a period of 72 hours from the time of enrollment. Such adjustments require written permission directed to the Support Department submitted from the personal back office of the Sponsor, as well as the Partner to be moved, and in some cases, the Upline Partner.
- b) Sponsor changes are generally not permitted. However, sponsor corrections can be made if they are reported to the Support Department within seventy-two (72) hours from the time

- of enrollment. Sponsor corrections must be requested from the Partner's back office of the current (original) Sponsor, stating the reason that the correction needs to be made.
- At the discretion of LevAl, Partners who have not had an active subscription for at least six
   (6) months, and whose Account has not been terminated, are eligible to re-enroll in LevAl under the Sponsor of their choice.
- d) When a former Partner re-enrolls with LevAl, LevAl will "compress" (close) the Partner's original Account, and a new LevAl User ID number will be issued to the Partner. In this scenario, a Partner does not retain former rank, downline Organization, or rights to commissions from the Partner's former LevAl business or Account.
- e) LevAl reserves the right to correct Sponsor errors at any time and in whatever manner it deems necessary in its sole discretion.

#### 4.7 Change Organizations

- a) If a Partner wishes to change Organizations within LevAI, he or she must submit a notice of voluntary termination to the LevAI Member Support Department in accordance with Section 4.8 (below) and remain inactive (maintain no active subscription) with or in LevAI for six (6) months from the receipt of the notice before being eligible to re-enroll under a different Sponsor.
- b) LevAl retains the right to approve or deny any request to re-enroll after a Partner's termination. Partners within the same downline Organization simultaneously submitting notices of voluntary termination to transfer Organizations in accordance with Section 4.7(a) will be deemed an abuse of these Policies.
- c) If re-enrollment is approved, the former Partner will be issued a new LevAl User ID after accepting and agreeing to the terms of the Partner Agreement in effect at that time. The re-enrolled Partner will not be entitled to keep any former rank, downline, or rights to commissions associated with the Partner's prior LevAl User ID/Account.

#### 4.8 Voluntary Termination and Repositioning to Member Status for Inactivity

- a) A Partner may immediately terminate his or her Account and LevAl business associated therewith by submitting a written notice via email to the LevAl Support Department at <a href="mailto:support@getlev.ai">support@getlev.ai</a>. The written notice must include the following:
  - (i) Statement of the Partner's intent to terminate the Account;
  - (ii) Date of termination;
  - (iii) Partner's LevAl User ID;
  - (iv) Reason(s) for terminating the Account, and
  - (v) Partner's signature.
- b) A Partner may not use voluntary termination as a way to immediately change Sponsors. A Partner who has voluntarily terminated an Account is not eligible to re-enroll with LevAl or have any financial

interest in any LevAl business for six (6) months from the receipt of the written notice of termination. A terminated Partner who promotes LevAl products or services during the six (6) month waiting period by using another Partner's or Member's referral code is in violation of the provision and shall not be permitted to re-enroll until six (6) months following any such offending conduct has ceased.

c) A Partner who has no active personal subscription or personally-referred Member subscription for six (6) consecutive months may be repositioned to Member status. To return to Partner status, the Member must pay the annual Partner fee and may select a new sponsor if outside of the aforementioned six (6)-month waiting period.

#### 4.9 Involuntary Termination

- LevAl reserves the right to terminate a Partner's position for, but not limited to, the following reasons:
  - (i) Violation of any provision of the Partner Agreement;
  - (ii) Violation of any applicable law, ordinance, or regulation related to the Partner's LevAl business;
  - (iii) Engaging in unethical business practices or violating standards of fair dealing; or
  - (iv) Returning over \$500 worth of LevAl products, services, and/or sales tools for a refund within a twelve (12) month period.
  - (v) Partner initiates, joins, or otherwise voluntarily participates in a lawsuit against LevAl, its directors, officers, employees, and/or agents.
- b) LevAl will notify the Partner in writing via email, certified mail, return receipt requested, or overnight documented mail, at the Partner's last known address, of the Partner's intent to terminate the Partner's position and the reasons for termination. The involuntary termination will be effective date as of the written notice.
- c) The former Partner shall thereafter be prohibited from using the names, marks, or signs, labels, stationery, advertising, or business material referring to or relating to any LevAl products or services. LevAl will notify the active Upline Sponsor within ten (10) days after termination. The Organization of the terminated Partner will "roll up" to the active Upline Sponsor on record.
- d) The Partner who is involuntarily terminated by LevAl may not re-enroll as a Partner, either under his or her present name or any other name or Business Entity, without the express written consent of an officer of LevAl, following a review by the LevAl Compliance Committee. If such consent is granted, the Partner may not re-enroll as a Partner for twelve (12) months following the date of termination.

#### 5.0 **BUSINESS ENTITIES**

#### 5.1 Definition

a) A corporation, partnership, limited liability company, or trust (collectively, a "Business Entity") may apply to be a LevAl Partner.

b) A LevAl Partner may change their status under the same Sponsor from an individual to a Business Entity in accordance with Section 4.4 of these Policies.

#### 5.2 Indemnification for Actions

a) A Partner is fully responsible for all of his or her verbal and written communications made regarding LevAl products, services, and the Compensation Plan that are not expressly contained within official LevAl materials. Partners shall indemnify and hold harmless LevAl, its directors, officers, employees, product suppliers, and agents from any and against all liability, including judgments, civil penalties, refunds, lawyer fees, and court costs incurred by LevAl as a result of the Partner's unauthorized representations or actions. This provision shall survive the termination of the LevAl Partner Agreement and a LevAl Account.

#### 5.3 Insurance

a) LevAl encourages Partners to obtain insurance coverage for their LevAl business. A homeowner's insurance policy does not cover business-related injuries, or the theft of, or damage to, inventory or business equipment. Partners should contact their insurance agent to make certain their business property is protected. In many instances, this may be accomplished with a "Business Pursuit" endorsement to an existing homeowner's policy.

#### 6.0 POLICY VIOLATIONS

#### 6.1 Reporting Policy Violation

- a) A Partner who observes a violation of these Policies and Procedures by another Partner or Member should submit any such violation(s) to the LevAl Compliance Department via email to <a href="mailtoguidelinesupport@getlev.ai">getlev.ai</a>. The email should include:
  - (i) The nature of the violation(s):
  - (ii) Specific facts to support the allegations;
  - (iii) Dates;
  - (iv) Number of occurrences;
  - (v) Persons involved; and
  - (vi) Supporting documentation.
- b) The Compliance Department will investigate the reported violation(s), and LevAl will take appropriate action if warranted.

#### 6.2 Adherence to the LevAl Compensation Plan

a) A Partner must adhere to the terms of the LevAl Compensation Plan.

- b) A Partner shall not offer the LevAl opportunity through or in combination with any other system, program, or method of marketing other than that specifically set forth in Official LevAl Literature.
- c) A Partner shall not require or encourage a current or prospective Partner to participate in LevAl in any manner that varies from the Compensation Plan as set forth in official LevAl literature.
- d) A Partner shall not require or encourage a current or prospective Partner to make a purchase from or payment to any individual or other entity as a condition to participating in the LevAl Compensation Plan.

#### 6.3 Adherence to Laws and Ordinances

- a) Many cities, counties, and townships have laws regulating certain home-based businesses. Partners and Members shall comply with all federal, state, and local laws, ordinances, and regulations in conducting his or her LevAl business.
- b) A Partner understands and agrees that he/she/it is solely responsible for any and all fines and liabilities incurred as a result of the Partner's or Member's violation(s) of applicable laws, regulations, and/or ordinances.

#### 6.4 Compliance with Applicable Income Tax Laws

- a) A Partner accepts sole responsibility for and agrees to pay all federal, state, provincial, and local taxes on any income generated as a Partner, and further agrees to indemnify LevAl from any failure to pay such taxes when due. LevAl encourages Partners to consult with his/her/its tax advisor(s) to ensure they are compliant with all applicable laws and understand your tax consequences as an independent contractor. At the end of each calendar year, LevAl will issue to each Partner IRS Form 1099, or other applicable documentation required by law, for non-employee compensation of a Partner.
- b) If a Partner's business is tax-exempt, the Federal Tax-ID (EIN) must be provided to LevAl in writing along with any additional documentation requested reflecting such status.
- c) LevAl is required to charge and remit sales tax to the various states or provinces based on the retail price, including receipt of trips, prizes, or awards in the amount of \$600.00 or more.
- d) <u>Consent to Paperless Delivery of Tax-Related Documents</u>: As a Partner, you have the option to receive your 1099 statement electronically. The IRS requires us to obtain your (you being a 1099 recipient) affirmative consent in order to provide you your 1099 statement, which will be done via a portal link made available to you.
  - (i) You are not obligated to give us your consent.
  - (ii) If you do not consent to the receipt of an electronic copy, only a paper copy will be provided.
  - (iii) Consent to receive your statement electronically may be withdrawn at any time prior to delivery of the statement via a portal link made available to you.

- (iv) In the event you withdraw your consent to electronic delivery, tax-related documents, including Form 1099, will no longer be available for download via the portal.
- (v) Statements will be made available until October 15 for the applicable year in this portal and available for download (if you have not withdrawn your consent). After this date, the statement will no longer be available, and you will need to seek a copy from the IRS.

#### 6.5 One LevAl Business Partner

a) A Partner may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one (1) LevAl Account. No individual (together with their spouse) may have, operate, or receive compensation from more than one LevAl Account and business associate therewith. Individuals of the same Family Unit, excluding spouses, may each enter into or have an interest in their own separate LevAl Account, only if each subsequent family position is placed frontline to the first family member enrolled. Each position must build their position separate and independent of the other, or the position will be deemed to be stacking.

#### 6.6 Actions of Household Members or Affiliated Parties

a) If any member of a Partner's immediate household engages in any activity which, if performed by the Partner, would violate any provision of the Partner Agreement, such activity will be deemed a violation by the Partner, and LevAl may take disciplinary action pursuant to these Policies and Procedures against the Partner. Likewise, if a Partner is a Business Entity, any owner, member, officer, and/or Partner of that Business Entity shall be personally and individually bound to and must comply with the Partner Agreement.

#### 6.7 Identification Numbers and Pay-Out

- a) Each Partner is required to provide a Social Security Number or Federal Tax ID if located in the United States or any of its territories to LevAl at the time the Partner initiates a transfer of funds or earnings accumulated in the Partner's Wallet. The transferring and disbursement of commission payments or bonuses acquired is known as a "Pay-Out" and LevAl reserves the right to withhold Pay-Out from any Partner who fails to provide a valid Social Security Number or Federal Tax ID (EIN) or who provides false information.
- b) Upon enrollment, LevAl will provide a LevAl User ID to the Partner. This number will be used to subscribe, structure Organizations, and track commissions and bonuses.

#### 6.8 Sell, Assign, or Delegate Ownership

- a) In order to preserve the integrity of the hierarchical structure, it is necessary for LevAl to place restrictions on the transfer, assignment, or sale of a Partner's LevAl Account and business associated therewith.
- b) A Partner may not sell, assign, or transfer his or her rights or delegate his or her Account as a Partner without LevAl's prior written approval, which will not be unreasonably withheld. All parties involved in any transaction described in Section 6.8 must be in good standing with LevAl to be eligible for any proposed sale, assignment, or transfer. Any attempted

sale, assignment, or delegation without such approval may be voided at the discretion of LevAl.

- c) Any approved buyer/assignee/transferee shall assume the position of the Partner at the current qualified title but at the current "paid as" rank, at the time of the sale, and acquire the Partner's downline Organization.
- d) To the sale, transfer, or assignment of a LevAl position, a Partner must request a "Sale/Transfer of Position Form" from LevAl's Support Department and submit the following items to LevAl's Compliance Department:
  - (i) a fully executed, dated, and properly completed LevAl Sale/Transfer of Position Form;
  - (ii) a fully executed, dated, and notarized agreement between the Partner and the proposed buyer/transferee/assignee; and.
  - (iii) any additional supporting documentation requested by LevAl.
- e) Any debt obligations that any party involved in the proposed transaction may have with LevAl must be satisfied in full prior to the approval of the sale, transfer, or assignment.
- f) A Partner who sells, transfers, or assigns his/her/ LevAl's position is not eligible to re-enroll as a LevAl Partner in any organization for six (6) full calendar months following the date of the sale, transfer, or assignment, except as otherwise expressly permitted by these Policies and Procedures.

#### 6.9 Separating a LevAl Business

- a) Pending a divorce or dissolution of a Business Entity, the parties must adopt one of the following methods of operation:
  - (i) One of the parties may, with the written consent of the other(s), operate the LevAl business whereby the relinquishing Spouse, shareholder, partner, member, or trustee ("Relinquishing Party") authorizes LevAl to deal directly and solely with the non-Relinquishing Party.
  - (ii) The parties may continue to operate the LevAl business jointly on a "business as usual" basis. All compensation paid by LevAl will be paid into the Individual(s) or Business Entity named as the Partner on the Account, and the Partner shall indemnify LevAl from any and all claims of any other party with respect to the LevAl business and Account and any payment(s) made in connection therewith.
- b) LevAl recognizes only one downline Organization and will issue only one commission payment transfer per LevAl Account per commission cycle. Under no circumstances will the downline of an Organization be divided, nor will LevAl split commissions and/or bonuses.
- c) If a Relinquishing Party has completely relinquished, in writing, all rights to the original LevAl business and Account, the Relinquishing Party may immediately thereafter re-enroll

under the Sponsor of his or her choice. In such cases, however, the Relinquishing Party shall have no rights to, and shall not solicit, any Partner or active Member in the former Organization and must develop a new business in the same manner as any other new LevAl Partner. A Partner in the Relinquishing Party's former Downline who wishes to transfer to the Relinquishing Party's new Organization or to any other Organization must comply with the requirements in Section 4.0.

#### 6.10 Succession

- a) The Partner Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.
- b) Upon the death or incapacity of a Partner, the Partner's business may be passed on to his or her legal successors in interest ("Successor"). Whenever a LevAl business is transferred by a will or other testamentary process, the successor acquires the right to collect all bonuses and commissions of the deceased Partner's Sales Organization. The Successor must:
  - (i) Accept and agree to all the terms of the Partner Agreement;
  - (ii) Comply with the terms and provisions of the Partner Agreement; and
  - (iii) Meet all of the qualifications for the last rank achieved by the former Partner.
- c) Any bonuses and commissions transferred pursuant to this section will be paid in a single transfer to the successor. The successor must provide LevAl with an "address of record" to which all bonus and commission Pay-Out will be sent. Payments will be based on the current performance of the position, not the highest rank or volume achieved.
- d) If the business is bequeathed to joint devisees, they must form a Business Entity and acquire a Federal Tax ID (EIN). LevAl will issue all bonus and commission payments to the managing Business Entity only.
- e) Appropriate legal documentation must be submitted to the LevAl Compliance Department to ensure the transfer is done properly. To effect a testamentary transfer of a LevAl business, the Successor must provide the following to the LevAl Compliance Department:
  - (i) A certified copy of the death certificate; and
  - (ii) A notarized copy of the will.
- f) To complete a transfer of the LevAl business because of incapacity, the Successor must provide the following to the LevAl Compliance Department:
  - (i) A notarized copy of an appointment as trustee;
  - (ii) A notarized copy of the trust document or other appropriate legal documentation establishing the trustee's right to administer the LevAl business; and
  - (iii) A Partner Agreement is accepted and agreed to by the trustee in writing.

- g) If the Successor is already an existing Partner, LevAl will allow such Partner to keep his or her own position plus the inherited position active for up to six (6) months. By the end of the six (6) month period, the Partner must have compressed (if applicable), sold, or otherwise transferred either the existing position or the inherited position.
- h) If the Successor wishes to terminate the LevAl position, he or she must submit a notarized statement stating the desire to terminate the position, along with a certified copy of the death certificate, appointment as trustee, and/or any other appropriate legal documentation.
- i) Upon written request, LevAl may grant a one (1) month bereavement waiver and payout at the last "paid as" rank.

#### 7.0 DISCIPLINARY ACTIONS

#### 7.1 Imposition of Disciplinary Action - Purpose

a) It is the spirit of LevAI that integrity and fairness should pervade among its Partners, thereby providing everyone with an equal opportunity to build a successful business. Therefore, LevAI reserves the right to impose disciplinary sanctions at any time when it has determined that a Partner has violated the Partner Agreement, as may be amended from time to time by LevAI in accordance herewith.

#### 7.2 Consequences and Remedies of Breach

- a) Disciplinary actions may include one or more of the following:
  - (i) Monitoring a Partner's conduct over a specified period of time to ensure compliance;
  - (ii) Alerting the Partner's Upline so that the Upline may further educate the Partner and/or take proactive action to protect the LevAl community from cross-Recruiting, disparagement, etc.;
  - (iii) Issuance of a written warning or requiring the Partner to take immediate corrective action;
  - (iv) Imposition of a fine (which may be imposed immediately or withheld from future commission payments) or the withholding of commission payments ("Commission Hold") until the matter causing the Commission Hold is resolved or until LevAl receives adequate additional assurances from the Partner to ensure future compliance;
  - (v) Suspension from participation in LevAl or Partner events, rewards, or recognition;
  - (vi) Suspension of the Partner's Account and position for one or more pay periods;
  - (vii) Involuntary termination of the Partner's Account and position;
  - (viii) Any other measure that LevAl deems feasible and appropriate to justly resolve injuries caused by the Partner's violation(s); or

(ix) Legal proceedings for monetary or equitable relief.

#### 7.3 Suspension Procedures

- a) First Violation: Counseling and initial warning letter. A first violation usually occurs because the Partner is not familiar with the Policies and Procedures or the law. Counseling and the initial warning provide an opportunity for Compliance to bring to the attention of the Partner the Policies and Procedures and the specific violation, and to provide counseling on complying with the Policies and Procedures and applicable laws. The Compliance Department will also describe expectations and steps the Partner must take to resolve the violation, including, but not limited to, either removing or revising the non-compliant claim or how to remedy other policy violations. Within three (3) days of this notice, Compliance will determine if the non-compliant material or other policy violation has been remediated. If so, Compliance will close the file. If not, Compliance will proceed to the 2nd Violation notice described below.
- b) <u>Second Violation: Second warning letter and temporary suspension.</u> Although it is hoped that the Partner will promptly correct the violation(s), LevAl recognizes that this may not always occur. The second written warning indicates the seriousness of repeated violations and will prompt a suspension of the Partner's account. During the suspension period, the Partner waives any and all rights to Pay-Out of any bonuses or commissions and must submit a signed reinstatement letter wherein the Partner acknowledges the violation(s) and describes the steps taken to correct the violation(s). Once the reinstatement letter is accepted by LevAl, the suspension will be lifted, and the Partner will be able to request a Pay-Out. The Partner may be subject to additional discipline up to and including termination if the violation is not cured or further violation(s) occur.
- c) Third Violation: Suspension and final written warning. Repeated violation(s) of the Policies and Procedures are very problematic and potentially harmful. Therefore, the most effective and prudent action is suspension of the Partner and forfeiture of commissions and bonuses associated with the offending Partner's Account. The final written warning letter will include notification of such suspension, action needed to cure the violations(s), and an indication that if the Partner violates the Policies and Procedures again, the Partner will be terminated immediately.
- d) <u>Fourth Violation: Termination.</u> As described above, LevAl will try to exercise the progressive nature of the Discipline Policy by first providing warnings, a final written warning, and suspension, and commission forfeiture before proceeding to termination of the Partner's Account. LevAl will notify the Partner in writing if/when the Account is terminated.
- e) LevAl reserves the right to combine and omit steps depending on the circumstances of each situation and the nature of the violation. Furthermore, the Partner may be terminated without prior notice or disciplinary action, as authorized by the Policies and Procedures.

#### 8.0 <u>DISPUTE RESOLUTION</u>

#### 8.1 Grievances Against Another Partner

- a) If a LevAl Partner has a grievance or complaint against another Partner regarding any practice or conduct relating to their respective LevAl businesses, he or she is encouraged to resolve the issue directly with the other party. If an agreement cannot be reached, it must be reported directly to the LevAl Compliance Department as outlined below in this Section.
- b) The LevAl Compliance Department will be the final authority on settling such grievance or complaint, and its written decision shall be final and binding on the Partners involved.
- c) LevAl will confine its involvement to disputes regarding LevAl business matters only. LevAl will not decide issues that involve personality conflicts or unprofessional conduct by or between Partners outside the context of a LevAl business. These issues go beyond the scope of LevAl and may not be used to justify a Sponsor change or a transfer to another LevAl Organization.
- d) LevAl does not consider, enforce, or mediate third-party agreements between Partners, nor does it provide names, funding, or advice for obtaining outside legal counsel.
- e) Process for Grievances:
  - (i) The Partner should submit a letter of complaint via email directly to the LevAl Compliance Department at <a href="mailto:guidelinesupport@getlev.ai">guidelinesupport@getlev.ai</a>. The letter shall set forth the details of the incident as follows:
    - A. The nature of the violation;
    - B. Specific facts to support the allegations;
    - C. Dates;
    - D. Number of occurrences;
    - E. Persons involved; and
    - F. Supporting documentation.
  - (ii) Upon receipt of the written complaint, LevAl will conduct an investigation according to the following procedures:
    - A. The Compliance Department will send an acknowledgment of receipt to the complaining Partner.
    - B. The Compliance Department will provide a verbal or written notice of the allegation to the Partner under investigation. If a written notice is sent to the Partner, he or she will have 10 business days from the date of the notification letter to present all information relating to the incident for review by LevAI.

- C. The LevAl Compliance Department will thoroughly investigate the complaint and consider all the submitted information it deems relevant, including information from collateral sources. Due to the unique nature of each situation, determinations of the appropriate remedy will be on a caseby-case basis, and the length of time to reach a resolution will vary.
- D. During the course of the investigation, the Compliance Department will only provide periodic updates, simply stating that the investigation is ongoing. No other information will be released during this time. Partner calls, letters, and requests for "progress reports" during the course of the investigation will not be answered or returned.
- f) LevAl will make a final decision and timely notify the LevAl Partner involved.

#### 8.2 Mediating Disputes Between a Partner and LevAl

- a) Partner and LevAl (collectively "the Parties") recognize disputes and differences may arise between the Parties and therefore agree it is in their best interest to appoint an impartial mediator to resolve such disputes as they arise. Mediation of a dispute may allow the parties to avoid the cost and inconvenience of litigation in court.
- b) The Parties should exchange all documents pertinent to the relief requested. The mediator may request the exchange of memoranda and other information; items that a party wishes to keep confidential may be sent to the mediator in a separate communication.
- c) The mediator shall not be a legal representative of any party.
- d) Unless otherwise agreed to by the Parties, the mediation shall take place in Collin County, Texas, on a date that is mutually agreeable among the Parties and mediator. Participation in the mediation by telephone will be permitted to prevent inconvenience to a party.
- e) The mediator shall allow the Parties to be represented by their respective advocates, who have the authority to consummate a settlement. Any party may participate without representation (pro se).
- f) Mediation sessions and related mediation communications are private proceedings. For this reason, only the Parties and their legal representatives may attend mediation sessions. Other persons may attend only with the permission of the Parties and with the consent of the mediator.
- g) Each Party will pay its own costs and expenses of the mediation unless the Parties agree otherwise.
- h) The Parties agree that all mediation communications are privileged and not subject to discovery or admissible in evidence in a proceeding unless waived or precluded by both Parties or unless the evidence would otherwise be admissible or subject to discovery if it were not by reason of its disclosure or use in mediation.
- i) Jurisdiction and venue of any controversy or claim brought under this mediation provision shall be in Collin County, Texas. The Parties further agree that the laws of the State of Texas shall govern all matters, claims, or controversies submitted to mediation pursuant to the Agreement.

#### 8.3 Severability

a) If any provision of these Policies and Procedures is found to be invalid or unenforceable for any reason, only the invalid provision shall be severed. The remaining terms and provisions hereof shall remain in full force and shall be construed as if such invalid or unenforceable provision never had comprised a part of these Policies and Procedures.

#### 8.4 Waiver

- a) Only an officer of LevAl can, in writing, affect a waiver of these Policies and Procedures. LevAl's waiver of any particular breach by a Partner shall not affect LevAl's rights with respect to any subsequent breach, nor shall it affect the rights or obligations of any other Partner.
- b) The existence of any claim or cause of action of a Partner against LevAl shall not constitute a defense to LevAl's enforcement of any term or provision of these Policies and Procedures.

#### 8.5 Governing Law

a) The Parties agree that jurisdiction and venue of any controversy or claim arising from the Partner Agreement or between LevAl and the Partner shall be in Collin County, Texas. The law of the State of Texas shall govern all matters relating to or arising from the Partner Agreement or between LevAl and Partner, without regard for any provisions regarding choice of law.

#### 8.6 Class Action Waiver

- a) The parties expressly intend and agree that:
  - (i) Class action and representative action procedures are hereby waived and shall not be asserted, nor will they apply, in any court or arbitration; and
  - (ii) The parties will only submit their own individual claims in any court or arbitration and will not seek to represent the interests of any other person.
- b) The court or arbitrator is not empowered to consolidate claims of different individuals into one proceeding, to hear any litigation or arbitration as a class action.
- c) As a LevAl Partner and/or Member, I agree that I will not assert class or collective action claims against LevAl in arbitration, court, or otherwise, nor will I join or serve as a member of a class or collective action in arbitration, court, or otherwise.
- d) As a Partner and/or Member, I understand that this means that there will be no right or authority for any dispute to be brought, heard, or arbitrated as a class or collective action by me or LevAl.

#### 9.0 PAYMENT OF COMMISSIONS & BONUSES

#### 9.1 Bonus and Commission Qualifications

- a) A Partner must be active and in compliance with the Partner Agreement and all LevAlissued guidelines and policies implemented to qualify for bonuses and commissions. So long as a Partner complies with the terms and conditions set forth in the Partner Agreement, LevAl shall pay commissions to such Partner in accordance with the Compensation Plan and any amendments thereto.
- b) LevAl will not issue a payment in any form to a Partner without the receipt of a Partner's annual membership and renewal membership fee and completed electronic enrollment as a LevAl Partner, including the Partner's acceptance and agreement to the Partner Agreement.
- c) LevAl reserves the right to postpone bonus and commission payments until such time the cumulative amount exceeds \$25.00.

#### 9.2 Computation of Commissions and Discrepancies

- a) In order to qualify to receive commissions and/or bonuses, a Partner must be in good standing and comply with the terms of the Partner Agreement. Commission, bonuses, overrides, and achievement levels are calculated on a daily, monthly, or yearly basis.
- b) A LevAl Partner must review his or her monthly statement and bonus/commission reports promptly and report any discrepancies within thirty (30) days of receipt. After the thirty (30) day "grace period" no additional requests will be considered for commission recalculations.
- c) For additional information on payment of commissions, please review the Compensation Plan.
- d) LevAl reserves the right, in its sole discretion, to modify or amend the terms or conditions of any Bonus or Bonus Pool. Furthermore, LevAl may amortize the payment of proceeds from a Bonus or Bonus Pool.

#### 9.3 Adjustments to Bonuses and Commissions for Cancelled/Refunded Memberships

- a) A Partner receives bonuses and commissions based on the actual sales of LevAl products and services to end consumers and to Partners through product and service purchases. When a product or service is returned to LevAl for a refund from the end consumer or by a Partner, the bonuses and commissions attributable to the returned product or service will be deducted from the Partner who received bonuses or commissions on such sales. Deductions will occur in the month in which the refund is given and continue every pay period thereafter until the bonus/and or commission is recovered.
- b) In the event that a Partner terminates his or her LevAl Account, and the amounts of the bonuses or commissions attributable to the returned products or services have not yet been fully recovered by LevAl, the remainder of the outstanding balance may be offset against any other amounts that may be owed by LevAl to the terminated Partner.

#### 10.0 SUBCRIPTIONS

#### 10.1 General Subscription Policies

- a) "Bonus Buying" is strictly and absolutely prohibited. Bonus Buying includes; (a) the enrollment of individuals or Business Entities as an Partner or Members without their knowledge or consent; (b) the fraudulent enrollment of an individual or Business Entity as an Partner or Member; (c) the enrollment or attempted enrollment of non-existent individuals or Business Entities as an Partner or Members ("phantoms"); (d) subscribing to LevAl products or services on behalf of another Partner or Member, or under another Partner's or Member's ID number, to qualify for commissions or bonuses; (e) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions, or bonuses that is not driven by bona fide product or service purchases by end consumers.
- b) LevAl requires that Partners use their own credit cards and not allow others to use them. A Partner shall not use another Partner's or Member's credit card or debit account to enroll in LevAl or purchase products or services.
- c) Regarding a subscription with an invalid or incorrect payment, LevAl will attempt to contact the Partner by phone, mail, and/or e-mail in order to obtain another form of payment. If these attempts are unsuccessful after the expiration of ten (10) business days, the subscription will be canceled.
- d) Prices are subject to change without notice.

#### 10.2 Member Registration

a) Creation and management of Member subscriptions may be done directly through a Partner's replicated website.

#### 10.3 Insufficient Funds

- a) All electronic payments that are declined for insufficient funds will be automatically resubmitted for payment.
- b) Any outstanding balance owed to LevAl by a Partner or Member of a Partner from NSF (non-sufficient funds) or insufficient fund ("ACH") fees will be withheld by LevAl from that Partner's future bonus and commission funds.
- c) All transactions involving insufficient funds through ACH or credit card, which are not resolved in a timely manner by the Partner, constitute grounds for disciplinary sanctions or termination of the account.
- d) If a credit card payment or automatic debit is declined the first time, the Member or Partner will be contacted directly, and a request for an alternate form of payment will be made before access to LevAl products or services is available. If payment is declined a second time, the Member or Partner may be deemed ineligible to subscribe to LevAl products or services.

#### 10.4 Credit Card Purchases

- a) Credit card purchases may only be made by the individual or Business Entity whose name and address are on the credit card. A Partner or Member may not use another individual's or Business Entity's credit card to purchase LevAl products/services (regardless of whether that Partner/Member has permission from that individual/entity to do so). LevAl considers such transactions fraudulent and will report them to the proper authorities for settlement.
- b) Under no circumstance will any Partner or Member charge back any credit card purchases. The Partner or Member Account associated with any credit card chargeback request will be terminated immediately without notice to the Partner or Member.
- c) All Partner or Member requests for refunds or returns must be done in accordance with these Policies.

#### 10.5 Sales Tax Obligation

- a) Partners shall comply with all federal and local taxes and regulations governing the sale of LevAl products and services.
- b) LevAl will collect and remit sales tax on all Partner and Member subscriptions. When subscriptions are made with LevAl, sales tax is prepaid based upon the suggested retail price and remitted to the appropriate state and local jurisdictions.
- c) LevAl encourages each Partner to consult with a tax advisor for additional information for his or her business.

#### 10.6 Refund Policy

#### a) <u>LevAl Members:</u>

(i) If, within the first thirty (30) days of your first purchase of LevAl services on the LevAl platform via our website, you are not satisfied, you may request a refund of any amount charged by contacting <a href="mailto:support@getlev.ai">support@getlev.ai</a>.

#### b) LevAl Partner:

- (i) If, within the first thirty (30) days of your first purchase of LevAl services on the LevAl platform via our website, you are not satisfied, you may request a refund of any amount charged by contacting <a href="mailto:support@getlev.ai">support@getlev.ai</a>.
- (ii) Partner membership fees are refundable within the first thirty (30) days of purchase.
- c) All purchases are charged and refunded in U.S. Dollars. All refunds will also be refunded or exchanged in U.S. Dollars. LevAl is not responsible for fluctuating exchange rates.

#### 11.0 LEVAI OPPORTUNITY

#### 11.1 Presentation of Compensation Plan

a) In presenting the LevAl business opportunity, a Partner is required to:

- (i) present a copy of the LevAl Income Disclosure Statement;
- (ii) refrain from misquoting or omitting any material fact about the Compensation Plan;
- (iii) clearly explain that the Compensation Plan is based upon sales of LevAl products and services:
- (iv) not make income projections, claims, or guarantees while presenting or discussing the LevAl opportunity or Compensation Plan to prospective Partners or Members;
- (v) inform all prospective Partners that success requires substantial work;
- (vi) not make any unsubstantiated claims regarding products or services offered by LevAI, except those contained in official LevAI literature.
- (vii) not use official LevAl material to promote the LevAl business opportunity in any country where LevAl is not duly authorized to conduct business.

#### 11.2 Sales Requirements Are Governed by the Compensation Plan

a) The LevAl program is built on sales to the ultimate consumer or end-user.

#### 12.0 PROPRIETARY INFORMATION & TRADE SECRETS

#### 12.1 Reports

a) By agreeing to the LevAl Partner Agreement, the Partner acknowledges that business reports, lists of Member and Partner names and contact information, and any other information, that contains financial, scientific, or other information both written or otherwise circulated by LevAl or pertaining to the business of LevAl (collectively, "Reports"), are confidential and proprietary information and trade secrets belonging to LevAl.

#### 12.2 Obligation of Confidentiality

- a) During the term of the LevAl Partner Agreement and for a period of two (2) years after the termination or expiration of the Partner Agreement between the Partner and LevAl, the Partner shall not:
  - (i) Use the information in the Reports to compete with LevAl or for any purpose other than promoting his or her LevAl business;
  - (ii) Use or disclose to any person or entity any confidential information contained in the reports, including disclosure or use to replicate or attempt to replicate the Partners' Upline and/or downline Organization genealogy in another network marketing company.

#### 12.3 Breach and Remedies

a) The Partner acknowledges that the Reports and other confidential and proprietary information is of such character as to render it unique and that disclosure or use thereof in violation of this provision will result in irreparable damage to LevAl and to independent LevAl businesses. LevAl and its Partners will be entitled to injunctive relief and/or to recover damages against any Partner who violates his or her obligations in section 12.2 in any action to enforce its rights under this section. The prevailing party shall be entitled to an award of attorney's fees, court costs, and expenses in addition to any award of damages.

#### 12.4 Return of Materials

a) Upon demand by LevAI, any current or former Partner will return the original and all copies of all Reports to LevAI together with any LevAI confidential information in such person's possession.

#### 13.0 PRIVACY POLICY

#### 13.1 Introduction

a) This Privacy Policy is to ensure that all Members or Partners understand and adhere to the basic principles of confidentiality. Without limiting the terms of this section, all Partners must comply with applicable privacy laws governing the collection, use, and disclosure of Member and fellow Partner information.

#### 13.2 Expectation of Privacy

- a) LevAl recognizes and respects the importance its Members or Partners place on the privacy of their financial and personal information. LevAl will make reasonable efforts to safeguard the privacy of and maintain the confidentiality of its Members' or Partners' financial and account information and nonpublic personal information.
- b) By entering into the Partner Agreement, a Partner or Member authorizes LevAl to disclose his or her name and contact information to Upline Partners solely for activities related to the furtherance of the LevAl business. A Partner hereby agrees to maintain the confidentiality and security of such information and to use it solely for the purpose of supporting and servicing his or her downline Organization and conducting the LevAl business.

#### 13.3 Employee Access to Information

a) LevAl limits the number of employees who have access to Members' or Partners' nonpublic personal information.

#### 13.4 Restrictions on the Disclosure of Account Information

a) LevAl will not share non-public personal information or financial information about current or former Members or Partners with third parties, except as permitted or required by laws and regulations, court orders, or to serve the Partner's interests or to enforce its rights or obligations under the Partner Agreement or with written permission from the account holder on file.

#### 14.0 ADVERTISING, PROMOTIONAL MATERIAL, USE OF LEVAI NAMES AND TRADEMARKS

#### 14.1 Promotion of Products/Services

- a) A Partner may sell LevAl products and services and display the LevAl trade name at any appropriate display booth (such as trade shows, expositions, conferences, etc.) with the express written consent of LevAl.
- b) A Partner or Member is prohibited to sell LevAl products and services and display the LevAl trade name, trademark, or service mark at any kiosk or booth located in any retail establishment, such as a mall or retail facility.
- c) LevAl reserves the right to refuse authorization to participate in any function that it does not deem a suitable forum for the promotion of its products and services, or the LevAl opportunity.

#### 14.2 Use of LevAl Names and Protected Materials

- a) A LevAl Partner must safeguard and promote the good reputation of LevAl and the products and services it markets. The marketing and promotion of LevAl, the LevAl business opportunity, the Compensation Plan, and LevAl products and services will be consistent with the public interest and must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct and practices.
- b) All promotional materials supplied or created by LevAl must be used in their original form and cannot be changed, amended, or altered, except with prior written approval from the LevAl Compliance Department.
- c) The name of LevAl, each of its products and service names, and other names that have been adopted by LevAl, in connection with its business, are proprietary trade names, trademarks, and service marks of LevAl. As such, these marks are of great value to LevAl and are supplied to Partners for their use only in an expressly authorized manner.
- d) A LevAl Partner's use of the name "LevAl" is restricted to protect LevAl's proprietary rights, ensuring that the LevAl-protected names will not be lost or compromised by unauthorized use. Use of the LevAl name on any item not produced by LevAl is prohibited except as follows:
  - (i) [Partner's name] Independent LevAl Partner.
  - (ii) [Partner's name] Independent Partner of LevAl products and services.
- e) Further procedures relating to the use of the LevAl name are as follows:
  - (i) All stationery (i.e., letterhead, envelopes, and business cards) bearing the LevAl name or logo intended for use by the LevAl Partner must be submitted via email to the LevAl Compliance Department for approval. Submit to guidelinesupport@getlev.ai.
  - (ii) LevAl Partner may list "Independent LevAl Partner" in the white pages of the telephone directory under his or her own name.

- (iii) LevAl Partners may not use the name LevAl in answering his or her telephone, creating a voice message, or using an answering service, such as to give the impression to the caller that they have reached the corporate office. They may state, "Independent Partner."
- f) Certain photos and graphic images used by LevAl in its advertising, packaging, and websites are the result of paid contracts with outside vendors that do not extend to Partners. If a Partner wants to use these photos or graphic images, they must negotiate individual contracts with the vendors for a fee.
- g) A LevAl Partner shall not appear on or make use of television or radio or make use of any other media to promote or discuss LevAl or its programs, products, or services without prior written permission from the LevAl Compliance Department.
- h) A Partner may not produce for sale or distribution any LevAl event or speech, nor may a Partner reproduce LevAl audio or video clips for sale or for personal use without prior written permission from the LevAl Compliance Department.
- i) LevAl reserves the right to rescind its prior approval of any sales aid or promotional materials to comply with changing laws and regulations, and may request the removal from the marketplace of such materials without financial obligation to the affected Partner.
- j) A Partner shall not promote non-LevAl products or services in conjunction with LevAl products or services on the same social media site or the same advertisement without prior approval from the LevAl Compliance Department.
- k) Claims (which include personal testimonials) as to therapeutic, curative, or beneficial properties of any products offered by LevAl may not be made except those contained in official LevAl literature. In particular, no Partner may make any claim that LevAl products or services are useful in the cure, treatment, diagnosis, mitigation, or prevention of any diseases. Such statements can be perceived as medical claims. Not only do such unsubstantiated claims violate LevAl policies, but they also potentially violate federal and international laws and regulations.
- A Partner and/or Member may not make any unsubstantiated claims regarding products or services of any products offered by LevAl, except those contained in official LevAl literature.

#### 14.3 Faxes and E-mail - Limitations

- a) Except as provided in this section, a Partner may not use or transmit unsolicited email, mass email distribution, other commercial electronic messages, or "spamming" that advertises or promotes the operation of his or her LevAl business. The exceptions are:
  - (i) E-mailing any person who has given prior permission or invitation;
  - (ii) E-mailing any person with whom the Partner has established a current business or personal relationship.

- b) In all states or the U.S. or International territories where prohibited by law, an Partner may not transmit, or cause to be transmitted through a third party, (by telephone, facsimile, computer, or other device), an unsolicited advertisement to any equipment, which has the capacity to transcribe text or images from an electronic signal received over a regular telephone line, cable line, ISDN, T1 or any other signal carrying device, except as set forth in this section.
- c) All e-mail or computer-broadcasted documents subject to this provision shall include each of the following:
  - (i) A clear and obvious identification that the fax or e-mail message is an advertisement or solicitation. The words "advertisement" or "solicitation" should appear in the subject line of the message;
  - (ii) A clear return path or routing information;
  - (iii) The use of legal and proper domain name;
  - (iv) A clear and obvious notice of the opportunity to decline to receive further commercial facsimile or e-mail messages from the sender;
  - (v) Unsubscribe or opt-out instructions should be the very first text in the body of the message box in the same size text as the majority of the message;
  - (vi) The true and correct name of the sender, valid sender's fax or e-mail address, and a valid sender's physical address;
  - (vii) The date and time of the transmission; and
  - (viii) Upon notification by the recipient of his or her request not to receive further faxed or e-mailed documents, a LevAl Partner shall not transmit any further documents to that recipient.
- d) All e-mail or computer-broadcasted documents subject to this provision shall not include any of the following:
  - (i) Use of any third-party domain name without permission; and
  - (ii) Sexually explicit materials.

#### 14.4 Internet and Third-Party Website Restrictions

a) A Partner and/or Member is prohibited from creating or registering any third-party website in order to promote, sell, or advertise their LevAl business without LevAl's express written approval. An Partner and/or Member is prohibited to use or attempt to register any of LevAl's trade names, trademarks, service names, service marks, product names, URLs, advertising phrases, the LevAl name, or any derivative thereof, for any purpose including, but not limited to, Internet domain names (URL), third party websites, e-mail addresses, web pages, or blogs.

- b) A LevAl Partner and/or Member may not (directly or indirectly through any intermediary or instrumentality) advertise, offer for sale, or facilitate the offering for sale of any LevAl products or services or offer the Business Opportunity on any online auction websites, internet retailer sites, or online marketplace websites. Examples of such sites include but are not limited to eBay®, Amazon, Facebook Marketplace, Sears.com, Jet.com, Walmart.com, and Etsy. This obligation survives the termination of a Partner's Agreement with LevAl.
- c) Social Media sites may be used to sell or offer to sell LevAl products or services. PROFILES AN PARTNER GENERATES IN ANY SOCIAL COMMUNITY WHERE LEVAL IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE PARTNER AS AN INDEPENDENT LEVAL PARTNER, and when an Partner and/or Member participates in those communities, Partners and/or Members must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at LevAl's sole discretion, and the offending Partner and/or Member will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the LevAl-approved library, official LevAl website, or social media outlet. If a link is provided, it must link to the posting Partner's Replicated website.
- d) Anonymous postings or use of an alias on any Social Media site is prohibited, and the offending Partners will be subject to disciplinary action.
- e) Partners and/or Members may not use blog spam, spamdexing, or any other massreplicated methods to leave blog comments. Comments Partners or Members create or leave must be useful, unique, relevant, and specific to the blog's article.
- f) Partners and/or Members must disclose their full name on all Social Media postings and conspicuously identify themselves as an Independent LevAl Partner for LevAl. Anonymous postings or the use of an alias is prohibited.
- g) Postings that are false, misleading, or deceptive are prohibited. This includes but is not limited to false or deceptive postings relating to the LevAl business opportunity or income therewith, LevAl's products and services, and/or your biographic information and credentials.
- h) Partners and/or Members are personally responsible for their postings and all other online activity that relates to LevAl. Therefore, even if a Partner does not own or operate a blog or Social Media site, if a Partner and/or Member posts to any such site that relates to LevAl or which can be traced to LevAl, the Partner is responsible for the posting. The Partner and/or Member is also responsible for postings that occur on any blog or Social Media site that the Partner and/or Member owns, operates, or controls.
- i) As a LevAl Partner, it is important to not converse with any person who places a negative post against you, other Partners, or LevAl. Report negative posts to LevAl at <a href="mailto:support@getlev.ai">support@getlev.ai</a>. Responding to such negative posts often simply fuels a discussion with someone carrying a grudge who does not hold themselves to the same high standards as LevAl, and therefore damages the reputation and goodwill of LevAl.
- j) The distinction between a Social Media site and a website may not be clear-cut because some Social Media sites are particularly robust. LevAl, therefore, reserves the sole and

exclusive right to classify certain Social Media sites as third-party websites, which are herein prohibited.

- k) If your LevAl business is canceled for any reason, you must discontinue using the LevAl name and all of LevAl's trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Social Media sites that you utilize. If you post on any Social Media site on which you have previously identified yourself as an Independent LevAl Partner, you must conspicuously disclose that you are no longer an Independent LevAl Partner.
- Failure to comply with these Policies for conducting business online may result in the Partner losing their right to advertise and market LevAl products, services, and LevAl's business opportunity online, in addition to any other disciplinary action available under the Policies and Procedures.
- m) Partners are prohibited from selling LevAl products to individuals or entities that they know or should know intend to resell access to LevAl services. Partners must sell LevAl products/services only to end-user Members. Partners must take reasonable steps to ensure that they do not violate these prohibitions.

#### 14.5 Advertising and Promotional Materials

- a) You may not advertise any LevAl products or services at a price LESS than the highest LevAl published, established retail price of ONE offering of the LevAl service and applicable taxes. No special enticement advertising is allowed. This includes but is not limited to offers of free membership or other such offers that grant advantages beyond those available through LevAl.
- b) Advertising and all forms of communication must adhere to principles of honesty and propriety.
- c) All advertising, including, but not limited to, print, Internet, computer bulletin boards, television, radio, etc., is subject to prior written approval by the LevAl Compliance Department.
- d) All requests for approvals with respect to advertising must be directed in writing to the LevAl Compliance Department.
- e) LevAl reserves the right to rescind its prior approval of submitted advertising or promotional materials in order to comply with changing laws and regulations, and may require the removal of such advertisements from the marketplace without obligation to the affected Partner.

#### 14.6 Testimonial Permission

a) By agreeing to the LevAl Partner Agreement, a Partner gives LevAl permission to use his or her testimonial or image and likeness in corporate sales materials, including but not limited to print media, electronic media, audio, and video. In consideration of being allowed to participate in the LevAl business opportunity, an Partner waives any right to be compensated for the use of his or her testimonial or image and likeness even though LevAl may be paid for items or sales materials containing such image and likeness and represents that any testimonial represents Partner's current, original, honest opinion, thoughts, beliefs, findings or experiences, based on Partner's actual experience with LevAl and any stated use of LevAl products and/or services, and agrees to notify Partner immediately of any changes in the views expressed in the testimonial. In some cases, a Partner's testimonial may appear in another Partner's advertising materials. If a Partner does not wish to participate in LevAl sales and marketing materials, he or she should provide a written notice to the LevAl Compliance Department to ensure that his or her testimonial or image and likeness will not be used in any corporate materials, corporate recognition pieces, advertising, or recordings of annual events.

#### 14.7 Telemarketing - Limitations

- a) A LevAl Partner must not engage in telemarketing in relation to the operation of the Partner's LevAl business. The term "telemarketing" means the placing of one or more telephone calls, text messages, emails, or facsimile transmissions to an individual or entity to induce the purchase of LevAl products or services or to recruit them for the LevAl opportunity.
- b) The federal government administers the Unsolicited Telecommunication Rules and operates a national Do-Not-Call registry that requires businesses to refrain from calling phone numbers listed on the national "Do-Not-Call" list (DNCL) and or people who tell the caller directly not to call/fax in the future.
- c) While a Partner may not consider himself or herself a "telemarketer" in the traditional sense, these regulations broadly define the terms "telemarketer" and "telemarketing" so that the unintentional action of calling someone whose telephone number is listed on the Federal "Do Not Call" registry could cause the Partner to violate the law. These regulations must not be taken lightly, as they carry significant penalties.
- d) "Cold calls" or unsolicited calls/texts/emails/faxes made to prospective Members or Partners in order to promote LevAl products, services, or the LevAl business opportunity are considered telemarketing and are prohibited.
- e) Exceptions to Telemarketing Regulations. A LevAl Partner may place telephone calls or faxes to prospective Members or Partners under the following limited situations:
  - (i) If the Partner has an established current business relationship with the prospect;
  - (ii) In response to the prospect's personal inquiry or application regarding a product or service offered by the LevAl Partner, within 3 months immediately before the date of such a call/fax;
  - (iii) If the Partner receives written and signed permission from the prospect authorizing the Partner to call/fax;
  - (iv) If the call/fax is to family members, personal friends, and acquaintances. However, if a Partner makes a habit of collecting business cards from everyone, he/she meets and subsequently calls/faxes them, the federal government may consider this a form of telemarketing that is not subject to this exemption; and

- (v) LevAl Partners engaged in calling "acquaintances" must make such calls/faxes on an occasional basis only and not as a routine practice.
- f) A Partner shall not use automatic telephone dialing systems in the operation of his or her LevAl businesses.
- g) Failure to abide by LevAl's policies or federal regulations regarding telemarketing may lead to sanctions against the Partner, up to and including termination of the Partner's LevAl Account.
- h) By enrolling as a Partner, or by accepting commissions, other payments, or awards from LevAl, a Partner gives permission to LevAl and other Partners to contact them as permitted under the Federal Do Not Call regulations.
- i) In the event a Partner violates this section, LevAl reserves the right to institute legal proceedings to obtain monetary or equitable relief.

#### 15.0 <u>INTERNATIONAL MARKETING</u>

#### 15.1 International Marketing Policy

- a) A LevAl Partner is authorized to offer LevAl products and services to Members and Partners only in the countries in which LevAl is authorized to conduct business, according to the Policies and Procedures of each country. LevAl Partners may not offer products or services in any country where LevAl products and services have not received applicable government authorization or approval.
- b) A Partner may not, in any unauthorized country, conduct sales, enrollment, or training meetings, enroll or attempt to enroll potential Members or Partners, nor conduct any other activity for the purpose of selling LevAl products and services, establishing a sales organization, or promoting the LevAl business opportunity.

#### 16.0 MONTHLY SUBSCRIPTION CANCELLATION

a) Please email to cancel or modify your monthly subscription at any time at <a href="mailto:support@getlev.ai">support@getlev.ai</a> without penalty. You can also modify or cancel your subscription at any time at <a href="mailto:getlev.ai">getlev.ai</a>. By selecting the "Monthly Subscription", you are also authorizing LevAl to charge your credit card for the services you have ordered on a monthly basis. You may cancel at any time without obligation and without penalty by emailing <a href="mailto:support@getlev.ai">support@getlev.ai</a> or canceling the subscription through the <a href="mailto:getlevai.co">getlevai.co</a> portal. All cancellations must be performed or delivered to LevAl within three (3) business days of the next subscription fee to guarantee cancellation.

#### **GLOSSARY OF TERMS**

The terms listed below shall have the following meaning throughout these Policies and Procedures, regardless of whether they are capitalized.

**ACCOUNT:** The secure and proprietary back-office associated with each Partner's LevAl business and unique User ID, where a Partner can access the Partner Agreement, the Compensation Plan to ensure that they are eligible to receive bonuses and commissions.

**ACTIVE PARTNER:** A Partner who is in good standing with respect to the Partner Agreement and who satisfies the minimum sales volume requirements, as set forth in the Compensation Plan, to ensure that they are eligible to receive bonuses and commissions.

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

<u>CUSTOMER:</u> Any person who purchases LevAl products/services and does not enroll as a LevAl Partner.

**PARTNER AGREEMENT:** The most current version of the following, along with any addendums or exhibits thereto: (i) LevAl Policies and Procedures; and (ii) LevAl Compensation Plan.

<u>PARTNER:</u> An individual or entity who actively promotes, markets, and sells LevAl products/services for profit and who actively seeks and Recruits others to do the same in accordance with the Partner Agreement.

**FAMILY UNIT:** Parents or dependent children living at or doing business at the same address as a Partner.

<u>LINE OF SPONSORSHIP (LOS):</u> A report generated by LevAl that provides critical data relating to the identities of Partners, sales information, and enrollment activity of each Partner's Organization. This report contains proprietary, confidential, and trade secret information.

**ORGANIZATION OR DOWNLINE:** The Members or Partners placed below a particular Partner.

<u>OFFICIAL LEVAI MATERIAL:</u> Literature, audio or video recordings, photographs, intellectual property, and/or any other materials developed, printed, published, or distributed by LevAl to Partners and/or Members.

**LINEAGE POSITION:** A Partner's location inside his or her Sponsor's organization as defined by referral relationships.

**RECRUIT, RECRUITMENT & RECRUITING:** Actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another Partner or Member to enroll or participate in any direct sales or network marketing opportunity. Recruitment includes but is not limited to messaging, posting, friending, or otherwise contacting known Partners and/or Members of LevAl on social media (e.g., Facebook, Instagram, etc.) to discuss another direct sales or network marketing opportunity. The conduct described in this paragraph is Recruitment, even if the Partner's actions are in response to an inquiry made by another Partner or Member.

**SPONSOR**: A Partner who enrolls a Member or other Partners into LevAl and is listed as the Sponsor.

**SPOUSE**: An individual that is legally married to a Partner or an individual that is a party to a legally recognized common-law relationship with a Partner.

<u>UPLINE:</u> This term refers to the Partner(s) above a particular Partner in a Sponsorship line up to the Company. It is the line of Sponsors that links any particular Partner to LevAl.

**WALLET:** A secure feature in the back-office software that maintains a Partner's commissions and bonuses.

# ADDENDUM 1 INCOME DISCLOSURE STATEMENT

#### INCOME DISCLOSURE STATEMENT

The LevAl Compensation Plan is an exciting opportunity that rewards you for selling products and services and sponsoring other participants who do the same. Although the opportunity is unlimited, individual results will vary depending on commitment levels and sales skills of each participant. Since LevAl has recently launched, it lacks enough statistical data to prepare reliable income disclosures. There will be certain participants who will earn less while others will earn much more. We're excited about the LevAl Compensation Plan, and we're confident it will provide you with a solid foundation to help you achieve your financial goals. As with all endeavors, hard work and the time you dedicate impact outcomes.

If income projections were presented to you prior to your enrollment, such projections are not necessarily representative of the income, if any, that you can earn through your participation in the Compensation Plan. These income projections should not be considered as guarantees or projections of your actual earnings or profits. Success with LevAI results only from hard work, dedication, and leadership.