# MOXXOR Policies and Procedures

# SECTION 1 - CODE OF ETHICS

MOXXOR LLC ("MOXXOR" or the "Company") has made a commitment to provide products of the finest quality backed with impeccable service. In turn, the company expects MOXXOR Representatives to reflect that image in their relationships with consumers, other MOXXOR Representatives, and MOXXOR employees.

As a MOXXOR Representative you are generally free to operate your business as you see fit but it is to our mutual, long-term advantage if you accord to the highest standards of integrity and fair practice in your role as a MOXXOR Representative. The Code of Ethics, therefore, states:

As a MOXXOR Representative:

- I will conduct my business in an honest, ethical manner at all times.
- I will make no representations about the benefits associated with a MOXXOR Representative business other than those contained in officially approved corporate literature and videos.
- I will provide support and encouragement to my customers to ensure that their experience with MOXXOR is a successful one. I understand that it is important to provide full service and support to customers and downline.
- I will be truthful in my representation of MOXXOR products by making no diagnostic, therapeutic, curative, or exaggerated claims and by clearly stating all terms of sale. I understand any claim of cure, prevention, mitigation, or treatment or any prescription is strictly forbidden.
- I will motivate and actively work with Representatives in my downline organization to help them build their MOXXOR business.
- I will refrain from exaggerating my personal income or the income potential in general and will stress to prospective Representatives the level of effort required to succeed in the business.
- I will not abuse the goodwill of my association with MOXXOR to further and promote other business interests (particularly those which may be competitive to MOXXOR) without the prior written consent of MOXXOR
- I will not make disparaging remarks about other products, services, distributors, or companies; likewise, I will not willfully denigrate the activities or personalities of fellow MOXXOR Representatives.
- I will abide by all of the Policies and Procedures of MOXXOR included herein, or as may be amended from time to time.

### **SECTION 2 - INTRODUCTION**

### 2.1 - Policies and Compensation Plan Incorporated into Representative Agreement

These Policies and Procedures, in their present form and as amended at the sole discretion of MOXXOR, are incorporated into, and form an integral part of, the MOXXOR Representative Agreement. Throughout these Policies, when the term "Agreement" is used, it collectively refers to the MOXXOR Application and Agreement Form, these Policies and Procedures and the MOXXOR Compensation Plan. These documents are incorporated by reference into the MOXXOR Representative Agreement (all in their current form and as amended by MOXXOR).

It is the responsibility of each Independent MOXXOR Representative (hereafter "Representative") to read, understand, adhere to, and ensure that they are aware of and operating under the most current version of these Policies and Procedures. When enrolling a new Representative, it is the responsibility of the enrolling Representative to ensure that the applicant is provided with, or has online access to the most current version of these Policies and Procedures and the MOXXOR Compensation Plan prior to their execution of the Representative Agreement.

### 2.2 - Purpose of Policies

MOXXOR is a direct sales company that markets products through Representatives. It is important to understand that your success and the success of your fellow Representatives depends on the integrity of those who market our products. To clearly define the relationship that exists between Representatives and MOXXOR, and to explicitly set a standard for acceptable business conduct, MOXXOR has established the Agreement.

MOXXOR Representatives are required to comply with all of the provisions set forth in the Agreement, which MOXXOR may amend at its sole discretion from time to time, as well as with all federal, state and local laws governing their MOXXOR business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Agreement. Please review the information in this document carefully. It explains and governs the relationship between you, as an independent contractor, and the Company. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from the MOXXOR corporate office.

#### 2.3 - Changes to the Agreement

Because federal, state, and local laws and the business environment periodically change, MOXXOR reserves the right to amend the Agreement and its prices at its sole and absolute discretion. By signing the Representative Agreement, a Representative agrees to abide by all amendments or modifications that MOXXOR elects to make. Amendments shall be effective 30 days after publication of notice of amendments in official MOXXOR materials. The Company shall provide or make available to all Representatives a complete copy of the amended provisions by one or more of the following methods: (a) posting on the Company's official website; (b) electronic mail (email); (c) inclusion in Company periodicals; (d) inclusion in product orders or bonus checks; or (e) special mailings. The continuation of a Representative's MOXXOR business or a Representative's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

### 2.4 - Delays

MOXXOR shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, weather, strikes, labor difficulties, riot, war, fire, death, curtailment of a party's source of supply, government decrees or orders, and acts of God.

### 2.5 - Policies and Provisions Severable

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid or unenforceable provision never comprised a part of the Agreement.

### 2.6 - Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of MOXXOR to exercise any right or power under the Agreement or to insist upon strict compliance by a Representative with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of MOXXOR's right to demand exact compliance with the Agreement. A waiver by MOXXOR can be affected only in writing by an authorized officer of the Company. MOXXOR's waiver of any particular breach by a Representative shall not affect or impair MOXXOR's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Representative. Nor shall any delay or omission by MOXXOR to exercise any right arising from a breach affect or impair MOXXOR to exercise any right arising from a breach affect or impair MOXXOR to exercise any right arising from a breach affect or impair MOXXOR to exercise any right arising from a breach affect or impair MOXXOR to exercise any right arising from a breach affect or impair MOXXOR's rights with respect.

The existence of any claim or cause of action of a Representative against MOXXOR shall not constitute a defense to MOXXOR's enforcement of any term or provision of the Agreement.

#### SECTION 3 - BECOMING A REPRESENTATIVE

#### 3.1 - Requirements to Become a Representative

To become a MOXXOR Representative, each applicant must:

- 3.1.1 Be at least 18 years of age;
- 3.1.2 Reside in the 50 United States, US Territories or APO's;
- 3.1.3 Have a valid Social Security or Tax ID number;
- 3.1.4 Submit a properly completed Representative's Agreement to MOXXOR.
- 3.1.5 Purchase of a USD50 Representative.

The Company reserves the right to reject any applications for a new Representative or applications for renewal.

### 3.2 - Representative Benefits

Once a Representative Application and Agreement has been accepted by MOXXOR, the benefits of the Compensation Plan and the Representative Agreement are available to the new Representative. These benefits include the right to:

3.2.1 - Purchase MOXXOR products at the prevailing Representative price, based on initial start-up option chosen.

3.2.2 - Sell MOXXOR products, which are described in the MOXXOR product catalog and profit from these sales.

3.2.3 - Participate in the MOXXOR Compensation Plan (receive bonuses and commissions, as eligible);

3.2.4 - Sponsor other individuals into the MOXXOR business and thereby build a marketing organization and progress through the MOXXOR Compensation Plan;

3.2.5 - Receive periodic MOXXOR literature and other MOXXOR communications;3.2.6 - Receive access to a MOXXOR Virtual Office site for organization monitoring and

management.

3.2.7 - Receive a MOXXOR Replicated Website for marketing and the servicing of retail customers.

3.2.8 - Participate in MOXXOR-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and 3.2.9 - Participate in promotional and incentive contests and programs sponsored by MOXXOR for its Representatives.

# 3.3 - Term AND Renewal of a MOXXOR Business

The term of the Representative's Agreement is one year from the date of its acceptance by MOXXOR (subject to reclassification for inactivity after six months). Every Representative Agreement must be renewed each year with an annual renewal fee of \$40, which must be paid on or before the anniversary date of the Representative's Agreement in order to receive Representative Benefits. A membership will be automatically renewed or a Representative may renew by calling Customer Care. The renewal fee must be paid at the time of renewal by submitting payment through a valid credit card. If the renewal fee is not paid within 30 days after the expiration of the current term, the Representative will be assumed to have voluntarily terminated their membership. Termination will result in loss of all sponsorship/enrollment, bonus rights, and payouts. The downline of the terminating Representative will be transferred to the enroller or placement sponsor in accordance with the compensation system.

### SECTION 4 - OPERATING A MOXXOR BUSINESS

4.1 - Adherence to the MOXXOR Agreement

Representatives must adhere to the terms of the MOXXOR Agreement as set forth in official MOXXOR literature.

Representatives shall not offer the MOXXOR opportunity through, or in combination with, any other system, program or method of marketing other than that specifically set forth in official MOXXOR literature. Representatives shall not require or encourage other current or prospective customers or Representatives to participate in MOXXOR in any manner that varies from the program as set forth in official MOXXOR literature. Representatives shall not require or encourage other current or prospective customers or Representatives or Representatives to execute any agreement or contract other than official MOXXOR agreements and contracts in order to become a MOXXOR Representative. Similarly, Representatives shall not require or encourage other current or prospective customers or Representatives from, or payment to, any individual or other entity to participate in the MOXXOR Compensation Plan other than those purchases or payments identified as recommended or required in official MOXXOR literature.

#### 4.2 - Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. "Bonus buying" includes:

(a) the enrollment of individuals without their knowledge and agreement and/or without execution of a Representative Application;

(b) the fraudulent enrollment of an individual as a Representative or customer;

(c) the enrollment or attempted enrollment of non-existent individuals as Representatives or customers;

(d) the use of a credit card by or on behalf of a Representative or customer when the Representative or customer is not the account holder of such credit card;

(e) purchasing MOXXOR products or services on behalf of another Representative, or under another Representative's ID number, to qualify for commissions or bonuses.

# 4.3 - Business Entities

A Partnership, LLC or Corporation may hold a Representative business upon completion of the Representative Application form, and providing on that form in the appropriate space, a Federal tax ID number. However, an individual may not participate in more than one (1) Representative business of any kind. The person signing the application on behalf of a business entity must have the authority of said entity for entering into the transaction. In addition, by signing for as a business entity, you certify that no person with an interest of debt or equity in the business has had an interest in a Representative business in MOXXOR within six (6) months of the date of signature.

# 4.4 - Changes to a MOXXOR Business

# 4.4.1 - General

Each Representative must immediately notify MOXXOR of all changes to the information contained in his or her Representative Application and Agreement. Representatives may modify their existing Representative Agreement Form by submitting a written request and appropriate supporting documentation.

# 4.4.2 - Changes to a Business Entity

Each Distributor must immediately notify MOXXOR of any changes to the type of business entity they utilize in operating their MOXXOR business, and the addition or removal of business associates.

# 4.4.3 - Change of Enroller

To protect the integrity of all marketing organizations and safeguard the hard work of all Representatives, MOXXOR rarely allows changes to the enroller. A direct line change request must be made by submitting a completed Representative Change Request Form within a 7-day period from the date of enrollment, and must come from the current listed enroller.

A transfer is rarely permitted and is actively discouraged after 7 days. Maintaining the integrity of the enroller is essential for the success of the overall organization.

- a. Transfers will generally be approved in these circumstances only:
  (1) In the case of unethical sponsoring by the original enroller. In such cases, the Company will be the final authority.
  (2) With the written approval of the immediate five (5) upline enrollers.
- b. In cases of unethical enrollment, the individual may be transferred with any downline intact; in all other events, the individual alone is transferred without any downline Representatives being removed from the original line of enrollment.

Exception - A request for a change in sponsor, due to MOXXOR error, will be accepted within 60 days of completion of the application.

# 4.4.4 - Change of Sponsor

In accordance with the MOXXOR compensation plan, a Representative through their MOXXOR Virtual Office will have the one-time right of placement for each new personally enrolled Representative anywhere in the Enrollers downline provided the Representative to be placed does not rank higher than the Representative under which he/she is to be sponsored. This placement period lasts for 90 days from the newly enrolled Representative's day of enrollment.

Outside of this provision, to protect the integrity of all marketing organizations and safeguard the hard work of all Representatives, MOXXOR discourages changes in sponsorship for Representatives. However, under special circumstances and in order to provide

Representatives with opportunities for improved team development transfers may be approved in these conditions:

- a. In the case that a sponsor is involved in unethical activities.
- b. With the written consent of the immediate ten (10) upline sponsors.

Exception - A request for a change in sponsor, due to MOXXOR error, will be accepted within 60 days of completion of the application.

# 4.4.5 - Cancellation and Re-application

A Representative may legitimately change organizations by:

a) voluntarily canceling his or her MOXXOR Agreement and remaining inactive (i.e., no purchases of MOXXOR products for resale; no sales of MOXXOR products; no sponsoring; and no attendance at any MOXXOR functions, participation in any other form of Representative activity, or operation of any other MOXXOR business) for 6 full calendar months.

Following the 6 calendar month period of inactivity, the former Representative may reapply under a new enroller; however, rights to the previous downline organization will be permanently lost.

# 4.5 - Unauthorized Claims and Actions

# 4.5.1 - Indemnification

A Representative is fully responsible for all of his or her verbal and written statements made regarding MOXXOR products, services, and the Compensation Plan that are not expressly contained in official MOXXOR materials. Representatives agree to indemnify MOXXOR and MOXXOR's directors, officers, employees and agents and hold them harmless from any and all liability, including judgments, civil penalties, refunds, attorney fees, court costs or lost business incurred by MOXXOR as a result of the Representative's unauthorized representations or actions. This provision shall survive the termination of a Representative Agreement.

# 4.5.2 Product Claims

No claims (which include personal testimonials) as to therapeutic, curative, or beneficial properties of any products offered by MOXXOR may be made except those contained in Official MOXXOR Literature. In particular, no Representative may make any claim that MOXXOR products are useful in the cure, treatment, diagnosis, mitigation, or prevention of any diseases. Representatives are not allowed to make health claims. Such statements can be perceived as medical or drug claims. Not only do such claims violate MOXXOR policies, but they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.

# 4.5.3 - Income Claims

In their enthusiasm to enroll prospective Representatives, some Representatives are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new Representatives

may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved.

Moreover, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While Representatives may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact MOXXOR as well as the Representative making the claim unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because Representatives do not have the data necessary to comply with the legal requirements for making income claims, a Representative may not make income projections, income claims or disclose his or her MOXXOR income (including the showing of checks, copies of checks, bank statements or tax records).

# 4.6 - Conduct At MOXXOR Events

### 4.6.1 - No Selling or Recruiting at MOXXOR Events

Selling and recruiting at MOXXOR events is not permitted. These activities take away from the primary focus of the event, and can negatively reflect on the professional image of MOXXOR as a company. You may, however, offer a business card and/or catalog.

### 4.6.2 - No Selling or Recruiting for other Companies at MOXXOR Events

MOXXOR Representatives shall not sell any products or recruit for any business during MOXXOR events. This restriction most specifically applies to sales and recruitment efforts for any other direct sales or marketing program, regardless of the product category, including those that do not compete with MOXXOR's product line.

#### 4.7 - Conflicts of Interest

# 4.7.1 - Non-compete Policy

MOXXOR Representatives are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing"), with the exception of those with products or services in the same generic category as MOXXOR. Representatives may not display MOXXOR products or services with any other products or services in a fashion that might in any way confuse or mislead a prospective customer or Representative into believing there is a relationship between the MOXXOR and non-MOXXOR products or services.

#### 4.7.2 - Non-solicitation

During the term of this Agreement, Representatives may not recruit other MOXXOR Representatives or customers for any other network marketing business. Following the cancellation of this Agreement, and for a period of one year thereafter, a former Representative may not recruit any MOXXOR Representative or customer for another network marketing business, with the exception of a Representative who is personally enrolled by the former Representative. The Representatives and Company recognize that because network marketing is conducted through networks of independent contractors dispersed across the entire United States and internationally, and business is commonly conducted via the Internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, the Representatives and Company agree that this non-solicitation provision shall apply to all markets in which MOXXOR conducts business.

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 MOXXOR Representative or customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. This conduct constitutes recruiting even if the Representative's actions are in response to an inquiry made by another Representative or customer.

# 4.7.3- Downline Activity (Genealogy) Reports

Downline Activity Reports made available for Representative access and viewing at MOXXOR's official website, are considered confidential. Representative access to their Downline Activity Reports is password protected. All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to MOXXOR. Downline Activity Reports are provided to Representatives in the strictest of confidence and are made available to Representatives for the sole purpose of assisting Representatives in working with their respective Downline Organizations in the development of their MOXXOR business. Representatives should use their Downline Activity Reports to assist, motivate and train their Downline Representatives. The Representative and MOXXOR agree that, but for this agreement of confidentiality and nondisclosure, MOXXOR would not provide Downline Activity Reports to the Representative. A Representative shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

• Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;

• Directly or indirectly disclose the password or other access code to his or her Downline Activity Report;

• Use the information to compete with MOXXOR or for any purpose other than promoting his or her MOXXOR business;

• Recruit or solicit any Representative or Customer of MOXXOR listed on any report or in any manner attempt to influence or induce any Representative or customer of MOXXOR to alter their business relationship with MOXXOR;

• Use or disclose to any person, partnership, association, corporation or other entity any information contained in any Downline Activity Report.

Upon demand by the Company, any current or former Representative will return the original and all copies of Downline Activity Reports to the Company.

### 4.8 - Cross-Sponsoring

Actual or attempted cross-sponsoring is strictly prohibited. "Cross-sponsoring" is defined as the enrollment of an individual who or entity that already has a current Customer or Representative Agreement on file with MOXXOR, or who has had such an agreement within the preceding 6 calendar months, within a different line of sponsorship. The use of a spouse's or relative's name, trade names, assumed names or fictitious ID numbers to circumvent this policy is prohibited. Representatives shall not demean, discredit or defame other MOXXOR Representatives in an attempt to entice another Representative to become part of the first Representative's marketing organization. If a prohibited organization transfer occurs, MOXXOR shall take disciplinary action against the Representative(s) who engaged, acquiesced and/or knowingly participated in the improper cross-sponsoring. However, it shall be entirely within MOXXOR's discretion where in the genealogical structure, the cross-sponsored organization in question shall be placed or otherwise distributed.

Because equities often exist in favor of both upline organizations, REPRESENTATIVES WAIVE ANY AND ALL CLAIMS AND CAUSES OF ACTION AGAINST THE COMPANY FOR ITS DECISION REGARDING THE FINAL DISPOSITION OR PLACEMENT OF THE CROSSSPONSORED ORGANIZATION.

### 4.9 - Errors or Questions

If a Representative has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports, or charges, the Representative must notify the Customer Care Department at MOXXOR's operational headquarters in Irvine, in writing, within 15 days of the date of the purported error or incident in question. MOXXOR will not be responsible for any errors, omissions or problems not reported to the Company within 15 days.

#### 4.10 - Excess Inventory Purchases Prohibited

Representatives are not required to carry inventory of products or sales aids. Representatives who do so must make his or her own decision with regard to these matters. To ensure that Representatives are not encumbered with excess inventory that they are unable to sell, such inventory may be returned to MOXXOR upon the Representative's cancellation pursuant to the terms of Section 8.

MOXXOR strictly prohibits the purchase of products primarily for the purpose of qualifying for commissions, bonuses, trips, or advancement in the Compensation Plan. Representatives may not purchase more inventory than they can reasonably resell or consume, nor may they encourage others to do so.

Each time a Representative places an order, the Representative implies that he or she is in compliance with all Company Policies & Procedures, including, but not limited to, certifying by each order that seventy percent (70%) of products previously purchased by the Representative have been sold or consumed by end users of the product.

# 4.11 - Governmental Approval or Endorsement

Neither federal nor state regulatory agencies or officials approve or endorse any direct selling program. Therefore, Representatives shall not represent or imply that MOXXOR or its Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

### 4.12 - Holding Applications or Orders

Representatives must not manipulate enrollments of new applicants and purchases of products. All Representative Applications and Agreements and product orders must be sent to MOXXOR within 72 hours from the time they are signed by a Representative or placed by a customer, respectively.

### 4.13 - Identification

All Representatives are required to provide their Social Security Number or Federal Tax Identification Number to MOXXOR on the Representative Application and Agreement. Upon enrollment, the Company will provide a unique Representative Identification Number to the Representative by which he or she will be identified. This number will be used to place orders and track commissions and bonuses.

### 4.14 - Income Taxes

Each Representative is responsible for paying local, state and federal taxes on any income generated as a Representative. If a MOXXOR business is tax exempt, the Federal Tax Identification Number must be provided to MOXXOR. Every year, MOXXOR will provide an IRS Form 1099 (non-employee compensation) earnings statement to each U.S. resident who (a) had earnings of over \$600 in the previous calendar year or (b) made purchases during the previous calendar year in excess of \$5,000 wholesale. MOXXOR cannot accept a tax-exempt certificate from a Representative who resides in a state where tax-exempt status is not granted for Direct Sales businesses. Representatives are encouraged to check with their state government before sending a form to MOXXOR.

# 4.15 - Independent Contractor Status

Representatives are independent contractors and are not purchasers of a franchise or a business opportunity. The agreement between MOXXOR and its Representatives does not create an employer/employee relationship, agency, partnership or joint venture between the Company and the Representative. Representatives shall not be treated as an employee for his or her services or for federal or state tax purposes. All Representatives are responsible for paying local, state and federal taxes due from all compensation earned as a Representative of the Company. The Representative has no authority (expressed or implied) to bind the Company to any obligation. Each Representative shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Representative Agreement Form, and these Policies and Procedures, and applicable laws.

The name of MOXXOR and other names as may be adopted by MOXXOR are proprietary trade names, trademarks and service marks of MOXXOR. As such, these marks are of great value to MOXXOR and are supplied to Representatives for their use only in an expressly authorized

manner. Use of the MOXXOR name on any item not produced by the Company is prohibited except as follows:

Representative's Name Independent MOXXOR Representative

All Representatives may list themselves as an "Independent MOXXOR Representative" in the residential telephone directory ("white pages") under their own name. Representatives may not place telephone directory display ads in the classified directory ("Yellow Pages") using MOXXOR's name or logo.

Representatives may not answer the telephone by saying "MOXXOR," "MOXXOR llc," or in any other manner that would lead the caller to believe that he or she has reached the corporate offices of MOXXOR.

### 4.16 - Insurance

# 4.16.1 - Business Pursuits Coverage

You may wish to arrange insurance coverage for your business. Your homeowner's insurance policy does not cover business related injuries or the theft of or damage to inventory or business equipment. Contact your insurance agent to make sure that your business property is protected.

# 4.17 - International Marketing

Because of critical legal and tax considerations, MOXXOR must limit the resale of MOXXOR products and the presentation of the MOXXOR business to prospective customers and Representatives located within the 50 United States of America, US Territories and APO's. Representatives are authorized to sell MOXXOR products and enroll customers or Representatives only in the countries in which MOXXOR has announced are open for business in official Company literature.

#### 4.18 - Laws and Ordinances

Representatives shall comply with all federal, state and local laws and regulations in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Representatives because of the nature of their business. However, Representatives must obey those laws that do apply to them. If a city or county official tells a Representative that an ordinance applies to him or her, the Representative shall comply with the law.

#### 4.19 - Minors

Representatives shall not enroll or recruit individuals under the age of 18 into the MOXXOR program.

# 4.20 - Actions of Household Members or Affiliated Individuals.

If any member of a Representative's household, family, or other affiliated individual engages in any activity that, if performed by the Representative, would violate any provision of the Agreement, such activity will be deemed a violation by the Representative and MOXXOR may take disciplinary action pursuant to the Statement of Policies against the Representative.

# 4.21 - One MOXXOR Business Per Representative and Per Household

A Representative may operate or have an ownership interest as a sole proprietorship in only one MOXXOR business. No individual may have, operate or receive compensation from more than one MOXXOR business. Individuals of the same family unit may enter into or have an interest in more than one MOXXOR Business provided a family member acts as the direct enroller of the other. A "family unit" is defined as spouses, domestic partners and dependent children living at or doing business at the same address.

An exception to the one-business-per-Representative rule will be considered on a case-by-case basis if two Representatives marry. Requests for exceptions to this policy must be submitted in writing to MOXXOR customer care.

# 4.22 - Re-packaging and Re-labeling Prohibited

Representatives may not re-label or alter the labels on any MOXXOR products, information, materials or programs in any way.

# 4.23 - Requests for Records

Any request from a Representative for copies of invoices, agreements, Downline activity reports or other records/reports will require a fee of \$2.00 per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

# 4.24 - Sale, Transfer or Assignment of MOXXOR Business

4.24.1 – Although a MOXXOR business is a privately owned, independently operated business, the sale, transfer or assignment of a MOXXOR business, and the sale, transfer or assignment of an interest in a Business Entity that owns or operates a MOXXOR business, is subject to certain limitations. If a MOXXOR Representative wishes to sell his or her MOXXOR business, or interest in a Business Entity that owns or operates a MOXXOR business, the following criteria must be met:

- The selling Representative must offer MOXXOR the right of first refusal to purchase the business on the same terms as agreed upon with a third-party buyer. MOXXOR shall have fifteen (15) days from the date of receipt of the written offer from the seller to exercise its right of first refusal.
- The buyer or transferee must become a qualified Representative. If the buyer is an active MOXXOR Representative, he or she must first terminate his or her MOXXOR business and wait six (6) calendar months before acquiring any interest in a different MOXXOR business unless otherwise approved by MOXXOR;
- Before the sale, transfer or assignment can be finalized and approved by MOXXOR, any

debt obligations the selling party has with MOXXOR must be satisfied.

• The selling party must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign an MOXXOR business.

Prior to selling a Business Entity interest, the selling party must notify MOXXOR's customer care department in writing and advise of his or her intent to sell MOXXOR's business or Business Entity interest. The selling party must also receive written approval from MOXXOR before proceeding with the sale.

### 4.25 - Separation of a MOXXOR Business

MOXXOR Representatives sometimes operate their MOXXOR businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership, or trust (the latter three entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other Representatives and the Company in a timely fashion, MOXXOR will involuntarily terminate the Representative Agreement. During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- 4.25.1 One of the parties may, with consent of the other(s), operate the MOXXOR business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners, or trustees authorize MOXXOR to deal directly and solely with the other spouse or non-relinquishing shareholder, partner, or trustee.
- 4.25.2 The parties may continue to operate the MOXXOR business jointly on a "business-as usual" basis, whereupon all compensation paid by MOXXOR will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above. The Company will never remove a party to a membership from a Representatives account without that party's written permission and signature. Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Under no circumstances will MOXXOR split commission and bonus checks between divorcing spouses or members of dissolving entities. MOXXOR will recognize only one downline organization and will issue only one commission payment per MOXXOR business per commission cycle. Commissions shall always be paid to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the Representative Agreement shall be involuntarily canceled. If a former spouse has completely relinguished all rights in the original MOXXOR business pursuant to a divorce, they are thereafter free to enroll under any sponsor of their choosing without waiting six calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity affiliate who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as a Representative. In either case, however, the former spouse or business affiliate shall have no rights to any

Representatives in their former organization or to any former retail customer. They must develop the new business in the same manner as would any other new Representative.

- 4.25.3 During the pendency of a divorce or dissolution, the Company shall treat the business according to the status quo as existed prior to the filing of the divorce or dissolution. Commission payments shall always be issued to the individual whose name appears on the performant.
- the Representative Agreement.

# 4.26 - Succession

Upon the death or incapacitation of a Representative, their business may be passed to a designated heir(s). Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Whenever a MOXXOR business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Representative's marketing organization provided the following qualifications are met. The successor(s) must:

- Execute a Representative Agreement;
- Comply with terms and provisions of the Agreement;
- Meet all of the qualifications for the deceased Representative's rank/status;
- Provide MOXXOR with an "address of record".

• Commissions of a MOXXOR business transferred pursuant to this section will be paid in a single payment to the successor(s).

a. Form a business entity and acquire a federal Taxpayer Identification Number, if the business is bequeathed to joint successors. MOXXOR will issue all commissions and one 1099 to the business entity.

4.26.1 Transfer Upon Death of a Representative

To effect a testamentary transfer of a MOXXOR business, the successor must provide the following to MOXXOR: (1) an original death certificate, (2) a notarized copy of the will or other instrument establishing the successor's right to the MOXXOR business, and (3) a completed and executed Representative Agreement. If the Successor is already a MOXXOR Distributor, the Company may grant exception to the One Representative rule upon written request from the Successor.

# 4.26.2 Transfer Upon Incapacitation of a Representative

To effectuate a transfer of a MOXXOR business because of incapacity, the successor must provide the following to MOXXOR: (1) a notarized copy of an appointment as trustee, (2) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the MOXXOR business, and (3) a completed Representative Agreement executed by the trustee.

# 4.27 - Sponsoring

All active Representatives in good standing have the right to sponsor and enroll others into MOXXOR. Each prospective Representative has the ultimate right to choose his or her own

sponsor. If two Representatives claim to be the sponsor of the same new Representative, the Company shall regard the first application received by the Company as controlling.

### 4.28 - Stacking

"Stacking" is strictly prohibited. The term "stacking" includes: (a) violating the one-businessper-household rule and/or (b) enrolling fictitious individuals or entities into the MOXXOR Compensation Plan, in an attempt to manipulate the Compensation Plan.

Exception: The MOXXOR Plus position as defined in the MOXXOR Compensation System.

### 4.29 - Telemarketing

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices.

Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. While you may not consider yourself a "telemarketer" in the traditional sense of the word, these regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 per violation).

Therefore, Representatives must not engage in telemarketing relative to the operation of their MOXXOR businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a MOXXOR product or service, or to recruit them for the MOXXOR opportunity. "Cold calls" made to prospective customers or Representatives that promote either MOXXOR's products or services or the MOXXOR opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or Representative (a "prospect") is permissible under the following situations:

• If the Representative has an established business relationship with the prospect. An "established business relationship" is a relationship between a Representative and a prospect based on the prospect's purchase, rental or lease of goods or services from the Representative, or a financial transaction between the prospect and the Representative, within the 18 months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.

• The prospect's personal inquiry or application regarding a product or service offered by the Representative within the 3 months immediately preceding the date of such a call.

• If the Representative receives written and signed permission from the prospect authorizing the Representative to call. The authorization must specify the telephone number(s) that the Representative is authorized to call.

• You may call family members, personal friends and acquaintances. An "acquaintance" is someone with whom you have at least a recent first-hand relationship (i.e., you have recently personally met him or her). Bear in mind, however, that if you make a habit of "card collecting" with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling

"acquaintances," you must make such calls on an occasional basis only and not make this a routine practice.

In addition, Representatives shall not use automatic telephone dialing systems relative to the operation of their MOXXOR businesses. The term "automatic telephone dialing system" means equipment which has the capacity to (a) store or produce telephone numbers to be called using a random or sequential number generator and (b) to dial such numbers.

# 4.30 - Product Liability

The Company shall defend Distributors from claims made by third-party customers alleging injury from use of a product as generally recommended or injury due to a defective product. The Distributor must promptly notify the Company in writing of any such claim, no later than ten (10) days from the date of the third-party claimant's letter alleging injury; failure to so notify the Company shall alleviate any obligation of the Company respecting such claim. The Distributor must allow the Company to assume the sole and absolute discretion respecting the defense of the claim, and use and choice of counsel as a condition to the Company's obligation to defend Distributor.

# SECTION 5 - RESPONSIBILITIES OF REPRESENTATIVES

# 5.1 - Change of Address or Telephone

To ensure timely delivery of products, support materials and commission checks, it is critically important that MOXXOR's files are current. Representatives planning to move should email MOXXOR corporate office, at <a href="mailto:customercare@MOXXOR.com">customercare@MOXXOR.com</a>, their new address and telephone numbers. To guarantee proper delivery, two-weeks advance notice to MOXXOR is recommended on all changes.

# 5.2 - Continuing Development Obligations

# 5.2.1 - Ongoing Training

Any Representative who sponsors another Representative into MOXXOR must perform a bona fide assistance and training function to ensure that his or her Downline is properly operating his or her MOXXOR business. Representatives must have ongoing contact and communication with the Representatives in their Downline Organizations. Examples of such contact and communication may include, but are not limited to, newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail and the accompaniment of Downline Representatives to MOXXOR meetings, training sessions, and other functions. Upline Representatives are also responsible to motivate and train new Representatives in MOXXOR product knowledge, effective sales techniques, the MOXXOR Compensation Plan and compliance with Company Policies and Procedures. Communication with and the training of Downline Representatives must not, however, violate Section 15 (regarding the development of Representative-produced sales aids and promotional materials). Representatives cannot charge for training without formal authorization from the Company.

Upon request, every Representative should be able to provide documented evidence to MOXXOR of his or her ongoing fulfillment of the responsibilities of a sponsor.

### 5.2.2 - Increased Training Responsibilities

As Representatives progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge and understanding of the MOXXOR program. They will be called upon to share this knowledge with less experienced Representatives within their organization.

### 5.2.3 - Ongoing Sales Responsibilities

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

### 5.3 – Non-disparagement

MOXXOR wants to provide its Representatives with the best products, compensation plan and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to the MOXXOR corporate offices. While MOXXOR welcomes constructive input, negative comments and remarks made in the field by Representatives about the Company, its products or Compensation Plan serve no purpose other than to sour the enthusiasm of other MOXXOR Representatives. For this reason, and to set the proper example for their Downline, Representatives must not disparage, demean or make negative remarks about MOXXOR, other MOXXOR Representatives, MOXXOR's products, the Compensation Plan or MOXXOR, officers or employees.

### 5.4 - Providing Documentation to Applicants

Representatives must provide the most current version of the Policies and Procedures and the Compensation Plan to individuals whom they are sponsoring to become Representatives before the applicant signs a Representative Agreement. The Policies and Procedures can be found on the Company page on the MOXXOR website at <u>www.MOXXOR.com</u>, or in your Virtual Office in the Document Library section.

# 5.5 - Reporting Policy Violations

Representatives observing a policy violation by another Representative should submit a written report of the violation directly to the attention of the MOXXOR Customer Care. Details of the incident(s), such as dates, number of occurrences, persons involved and any supporting documentation, should be included in the report.

#### 5.6 - Legal Responsibility

When Representatives engage in recruiting, they bear all responsibility to follow the law and any legal risk. If any lawsuit, arbitration, or mediation is brought against a Representative alleging that they engaged in inappropriate recruiting activity, MOXXOR will not be responsible for the Representative's defense costs or legal fees, nor will MOXXOR indemnify the Representative for any judgment, award, or settlement.

# SECTION 6 - SALES REQUIREMENTS

# 6.1 - Product Sales

The MOXXOR Compensation Plan is based upon the sale of MOXXOR products and services to end consumers. Representatives must fulfill personal and Downline organization retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement.

# 6.2 - Territory Restrictions

There are no exclusive territories granted to anyone. No franchise fees are required.

# 6.3 - Sales Receipts

All Representatives must provide their retail customers with two copies of an official MOXXOR sales receipt at the time of the sale. Representatives must maintain all retail sales receipts for a period of two years and furnish them to MOXXOR at the Company's request. Representatives may also direct retail customers to their personal replicated MOXXOR site, the use of which will automatically generate and recorded all required information.

# SECTION 7 - BONUSES AND COMMISSIONS

# 7.1 - Bonus and Commission Qualifications

A Representative must be active and in compliance with the Agreement and these policies to qualify for bonuses and commissions. So long as a Representative complies with the terms of the Agreement and these policies, MOXXOR shall pay commissions to such Representative in accordance with the Compensation Plan. The minimum amount for which MOXXOR will issue a commission payment is \$25.00. If a Representative's bonuses and commissions do not equal or exceed \$25.00, the Company will accrue the commissions and bonuses until they total \$25.00. Commissions will be issued once \$25.00 has been accrued via the MOXXPay, which each individual Representative may access from their Virtual Office.

# 7.2 - Commission Payments and Promotions

# 7.2.1 - Payments, Calculations, and Bonuses

Commissions will be dispersed to the MOXXPay accessible from a Representatives Virtual Office on a monthly basis. Commissions will be calculated according to the level for which a Representative actually satisfied all of the requirements according to the Compensation Plan rather than the highest rank or title achieved. Commission reports will be provided to Representatives on-line, via their Virtual Office.

# 7.2.2 - Promotions

Promotions are determined based on business organization and sales activity for each applicable period.

# 7.3 - Adjustment to Bonuses and Commissions

# 7.3.1 - Adjustments for Returned Products

Representatives receive bonuses and commissions based on the actual sales of products and services to end consumers. When a product is returned to MOXXOR for a refund or is

repurchased by the Company, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted in the month in which the refund is given, and continuing every pay period thereafter until the commission is recovered, from the Representatives who received bonuses and commissions on the sales of the refunded products.

### 7.4 - Reports

All information provided by MOXXOR in online Downline Activity Reports, including but not limited to personal and group sales volume (or any part thereof), and Downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors, including the inherent possibility of human and mechanical error; the accuracy, completeness and timeliness of orders; denial of credit card and electronic check payments; returned products; and credit card and electronic check charge-backs, the information is not guaranteed by MOXXOR or any persons creating or transmitting the information. All personal and group sales volume information is provided "as is" without warranties, expressed or implied, or representations of any kind whatsoever. In particular, but without limitation, there shall be no warranties of merchantability, fitness for a particular use or non-infringement.

To the fullest extent permissible under applicable law, MOXXOR and/or other persons creating or transmitting the information will in no event be liable to any Representative or anyone else for any direct, indirect, consequential, incidental, special or punitive damages that arise out of the use of or access to personal and group sales volume information (including but not limited to lost profits, bonuses, or commissions, loss of opportunity and damages that may result from inaccuracy, incompleteness, inconvenience, delay or loss of the use of the information), even if MOXXOR or other persons creating or transmitting the information shall have been advised of the possibility of such damages. To the fullest extent permitted by law, MOXXOR or other persons creating or transmitting the information shall have no responsibility or liability to you or anyone else under any tort, contract, negligence, strict liability, products liability or other theory with respect to any subject matter of this agreement or terms and conditions related thereto.

Access to and use of MOXXOR's online reporting services and your reliance upon such information is at your own risk. All such information is provided to you "as is." If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to MOXXOR's online reporting services and your reliance upon the information.

# 7.5 Errors and Questions

If a Distributor has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports, or charges, the Distributor must notify MOXXOR in writing within 30 days of the date of the purported error or incident in question. MOXXOR will not be responsible for any errors, omissions, or problems not reported to the Company within 30 days.

SECTION 8 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE

8.1 – Customer Satisfaction Guarantee

MOXXOR offers a 100% 90-day money-back guarantee to all first-time customers for up to two bottles of MOXXOR for a Retail Customer's first order and six bottles of MOXXOR in the case of a Preferred Customer. Every Representative is bound to honor the first-time customer guarantee.

8.2 Retail Customer Program

8.2.1 Product Return Originally Purchased Direct from a Representative

a. Sales Verification

All Representatives are required to keep a record of their retail sales, which may be audited upon notice by the Company. Each time a Representative places an order, the Representative implies that he or she is in compliance with all Company Policies & Procedures, including, but not limited to item 4.10.

b. Retail Sales Receipts

The Company requires each Representative to provide retail customers with a written receipt for product purchased, a copy of which must become part of the personal record keeping by Representatives, and therefore; subject to an internal audit by the Company.

c. Retail Returns to Representative

If a retail customer is dissatisfied in any way with our products, the products may be returned directly to the Representative from whom the product was purchased.

The following are the return, refund and replacement guidelines and procedures:

1. A request for an RMA may be processed by calling MOXXOR Customer Care provided it is within ninety (90) calendar days of the date of purchase.

2. Any unused portion of the product must be returned to the Representative to then be forwarded to the Company.

The Company is not responsible for monitoring the retail return or for any monies due the retail customer. The return arrangements are to be originated and completed exclusively between the retail customer and the Representative.

3. Merchandise returned by a retail customer must be received by MOXXOR within ten (10) days from the date on which the retail customer returned the merchandise to the Representative, and must be accompanied by the sales receipt the Representative gave to the Customer at the time of the sale and RMA#. Replacement product will be sent to the Representative for the returned merchandise.

4. All returns will be at the Representative's expense, and must be sent prepaid, preferably by a method of shipment, which can be traced by a tracking number. If there is a discrepancy in a return shipment, the Representative will be responsible for investigating the shipment by means of the tracking number and providing proof of acceptance by the warehouse before the Company will authorize a replacement of the product. The Company will not accept any C.O.D. or postage due packages.

5. All RMA's, which have met the stated requirements, will be replaced within 10 business days of receipt by MOXXOR.

8.2.2 Product Return Originally Purchased Direct from the Company or through the Internet A Retail Customer or Preferred Customer may purchase product directly from the Company through the Internet. All returns will be at the customer's expense, and must be sent prepaid preferably by a method of shipment, which can be traced by a tracking number. If there is a discrepancy in a return shipment, the customer will be responsible for investigating the shipment by means of the tracking number and providing proof of acceptance by the warehouse before the Company will authorize a refund of the product. The Company will not accept any C.O.D. or postage due packages.

The following are the return and refund guidelines and procedures:

1. A request for return can be processed within ninety (90) calendar days of the date of purchase.

2. The customer must receive an RMA# from MOXXOR Customer Care to begin the return process.

2. Product must be returned at the customer's expense.

3. Upon confirmation of return to the warehouse, a refund of the product purchase price, original shipping fees and the taxes paid will be refunded to the original payment method used for the purchase.

4. The order must be returned to the warehouse address listed on the packing slip, and must include a letter setting out the detailed reason for return.

5. If the return requirements are not met, or the appropriate documentation as set out is not included with the returned product, the Company will not process the return for a refund. Customer will be notified and will have fifteen (15) calendar days from the date of such notification to either provide the omitted information in writing to the Company, or alternatively, to arrange to have the product returned to their ship to address at the customer's expense. If the Customer fails to provide an appropriate response within fifteen (15) calendar days of notification, no refund will be processed and the Company will dispose of the returned product.

6. The Company is not responsible for the risks involved in return shipments. The Company assumes no liability for returned shipments until such time as our warehouse signs for them.

# 8.2.3 Errors to a Customer Shipment

If an incorrect shipment is sent to a Customer, in which the Company warehouse is responsible for the error, including but not limited to damaged product, and/or incorrectly shipped product, the following guidelines apply:

• 100% refund of the order, including product, taxes, shipping, and handling fees.

• The returned order must also include the RMA# and the original packing slip, and the order must be returned to the warehouse address listed on the packing slip.

• The cost of returning the erroneous order to the warehouse will be at the expense of the Company.

# 8.3 -Voluntary Cancellation of Contract - Return of Inventory for Refund

Requests by a MOXXOR Representative to return their inventory for refund, will be treated as a request to voluntarily cancel that Representative business. If a Representative wishes to return merchandise purchased within the last 6-month period, the Company shall repurchase the

inventory and the Representative's Agreement shall be canceled. A Representative may only return products purchased by him or her that are in new and resalable condition and comply with the terms provided in 4.10.

Upon receipt of the products, the Representative will be reimbursed 90% of the wholesale cost of the original purchase price, not to include shipping and handling charges. If the purchases were made through a credit card, the refund will be credited back to the same account. The Company shall deduct from the refund paid to the Representative any commissions, bonuses, rebates or other incentives received by the Representative and Upline Representatives, that were associated with the merchandise that is returned.

• Representative must inform the company of intent to exercise the buy-back option within 10 business days of resignation notice.

• All products to be returned for refund under this provision must be approved in advance of shipment to MOXXOR, by calling MOXXOR Customer Care and receiving the requisite RMA#.

• Representative will be asked to submit invoices detailing the items to be returned.

• Upon approval from the company, returns may be sent to the company's headquarters and must be accompanied by an invoice copy for each item.

• Other miscellaneous sales aids purchased at the Representative's discretion are not returnable.

# 8.4 - Exclusions

This policy excludes items sold with the specific designation of "final sale, no return or buy back". This designation is used for deeply discounted special sales and some seasonal items.

# 8.5 - Return Merchandise Authorization (RMA)

Before returning anything to the Company, it is absolutely necessary to receive a return authorization number RMA#. RMA#s are available through the Representatives Virtual Office. Any merchandise returned without this number will be refused. This RMA# must appear in bold print on the outside of all packages being returned. Make sure that a waybill or any other type of shipping documentation does not cover this number. As a safeguard, it is best to print the RMA# in several different places on the package(s) ensuring that the number is visible by the warehouse personnel. RMA's are valid for 30 days from the day of issuance.

# 8.6 – Local Jurisdictions

Local and state laws with specific consumer return policies supersede those contained in this agreement.

# 8.7 - Montana Residents

A Montana resident may cancel his or her Representative Agreement within 15 days from the date of enrollment and may return items received for a full refund within such time period.

# SECTION 9 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

# 9.1 - Disciplinary Sanctions

Violation of the Agreement, these Policies and Procedures or any illegal, fraudulent, deceptive or unethical business conduct by a Representative may result, at MOXXOR's discretion, in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring the Representative to take immediate corrective measures;
- Imposition of a fine, which may be withheld from bonus and commission checks;
- Loss of rights to one or more bonus and commission checks;

• The withholding from a Representative of all or part of the Representative's bonuses and commissions during the period that MOXXOR is investigating any conduct allegedly in violation of the Agreement. If a Representative's business is canceled for disciplinary reasons, the Representative will not be entitled to recover any commissions withheld during the investigation period;

- Suspension of the individual's Representative Agreement for one or more pay periods;
- Involuntary termination of the offender's Representative Agreement;

• Any other measure expressly allowed within any provision of the Agreement or that MOXXOR deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Representative's policy violation or contractual breach; or

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

# 9.2 - Grievances and Complaints

When a Representative has a grievance or complaint with another Representative regarding any practice or conduct in relationship to their respective MOXXOR businesses, the complaining Representative should first report the problem to his or her sponsor, who should review the matter and try to resolve it with the other party's Upline sponsor. If the matter cannot be resolved, it must be reported in writing to the Company. The Company will review the facts and determine if a policy violation has occurred and take appropriate action.

# 9.3 Mediation

Prior to instituting arbitration, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorneys fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Orange County, California, and shall last no more than two business days.

# 9.3 - Arbitration

Any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association or other

recognized arbitration service, under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Representatives waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in the County of Orange, California, unless the laws of the state in which a Representative resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that state. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions, with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel that the American Arbitration Panel provides. The prevailing party shall be entitled to receive from the losing party, OR each party to the arbitration shall be responsible for its own, costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement.

Nothing in these Policies and Procedures shall prevent MOXXOR from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect MOXXOR's interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

### 9.4 - Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside in Orange County, State of California. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of California shall govern all other matters relating to or arising from the Agreement.

9.4.1 - Louisiana Residents: Notwithstanding the foregoing, Louisiana residents may bring an action against the Company with jurisdiction and venue as provided by Louisiana law.

#### **SECTION 10 - ORDERING**

#### 10.1 - Purchasing MOXXOR Products

Each Representative should purchase his or her products directly from MOXXOR. If a Representative purchases products from another Representative or any other source, the purchasing Representative will not receive the personal sales volume that is associated with that purchase.

#### 10.3 - Shipping and Back Order Policy

MOXXOR will expeditiously ship any part of an order currently in stock. Backordered product is shipped at MOXXOR's expense but may not be combined with other items ordered.

#### 10.4 - Payments

- All payments must be made at the time the order is placed.
- We accept Visa, MasterCard, American Express, Discover.

- We do not accept checks or COD's.
- You may only use credit cards imprinted with your own name.
- We are unable to accept another person's credit card without a signed authorization form.

### 10.5 - Declined Credit Card

Orders will not be shipped until your credit card is approved. We will attempt to contact you via phone and/or email; however, we will cancel your order if you do not respond within five business days or by last business day of the month, whichever occurs first. Orders residing in the online shopping cart, unpaid at the end of the month will be deleted.

### 10.6 - Sales Tax

The Company makes the assumption that all product ordered will be resold at the suggested retail price, and sales tax is collected and reported on that basis. The sales tax is based upon the tax rate in the jurisdiction to which the product is shipped. If you submit a current Sales Tax Exemption Certificate (STEC) from your resident state, we will not charge or collect sales tax on your orders shipped to that state. You will be responsible for tracking and reporting all sales and sales taxes due. Sales tax on orders placed before we receive a STEC will not be reimbursed. If you elect to provide an STEC, you must indemnify and hold MOXXOR harmless regarding any liability that MOXXOR incurs as a result of your failure to collect or remit sales taxes.

### 10.7 - Product Abandonment

An order transaction is considered complete only when the order has been paid for and the shipping or delivery method has been satisfied. If these conditions are not met within 90 days from the date of order, the Company reserves the right to determine the final outcome of the order at its sole discretion, and the ordering Distributor releases MOXXOR from any further obligation or liability.

#### 10.8 – Shipping Policy

All products will be shipped within 48 hours after acceptance of the payment method used, weather and holidays permitting. An email will be sent to the Customer or Representative provided as a confirmation of the transaction. MOXXOR will not ship product until payment has cleared. Please note that when a payment clears may affect your commission qualifications as purchases are credited only after MOXXOR has cleared the order.

SECTION 11 - AUTOSHIP PROGRAM

#### 11.1 – Autoship Cycle

By enrolling in Autoship, you can ensure that you have 1) an adequate inventory with which you can service retail customers, 2) adequate product for demonstrations and sampling purposes and 3) adequate inventory for personal use. Autoship eliminates the inconvenience of placing monthly orders manually. The item, quantity and delivery date of your Autoship can be changed in the Representative's Virtual Office.

### 11.2 – Autoship Status

You may deactivate or reactivate your Autoship order within 5 days of the scheduled processing date.

### 11.3 – Autoship Enrollment

MOXXOR recommends that each applicant personally enroll in the Autoship Program. Enrollers may not set up an Autoship order on behalf of their new personally sponsored member without written permission from the enrolling member. Permission must be on file with the Compliance department prior to enrollment.

### 11.4 – Autoship for Preferred Customers

MOXXOR provides Preferred Customers the opportunity to purchase MOXXOR at a discounted rate by enrolling in our Autoship program. The Preferred Customer will receive a Virtual Office from which they may manage items ordered, quantity and delivery date.

### 11.5 – Terms of Autoship

• Autoship orders are processed monthly. MOXXOR will generally ship Autoship orders within a day or two (2) of the selected day of the month providing for holidays and weather conditions that might influence shipment dates. New Autoship orders must be received by MOXXOR at least 5 business days before the specified date.

• MOXXOR can receive faxed, photocopied, and original Autoship forms. Autoship orders may also be created, changed or canceled via the Internet. Autoship orders must be paid with a credit card or an automated bank draft, which will be debited monthly.

• MOXXOR will cancel any Autoship Agreement that is subject to a consumer credit card charge back. Distributors must obtain written approval from MOXXOR corporate office before they can reactivate the Autoship.

Your Autoship Agreement will remain in effect until you: (1) elect to alter or change any aspect of this Agreement through the Virtual Office or by submitting a new signed Autoship Purchase Order form; (2) send, in writing, your cancellation of this Agreement to MOXXOR at 16 Goodyear Suite #145, Irvine, CA 92618, or by fax to (949) 315-3829 (Notice must include your signature, printed name, address, and member ID number), or (3) stop payment of any withdrawals by MOXXOR by notifying your issuing bank at least three days prior to the scheduled charging of your account. Notice of cancellation sent to MOXXOR must be received at least 5 days prior to the scheduled processing of your order in order to avoid charges for that month. If a cancellation notice is received fewer than 5 days prior to the scheduled processing of your order, cancellation will become effective the following month.

# SECTION 12 - RETAIL AND ADVERTISING POLICY

#### 12.1 - Retail Policy

MOXXOR Inc. is a person-to-person sales company. Company policy prohibits the display or sale of MOXXOR products in retail outlets; however, catalogs and business cards may be distributed and displayed at all venues, including retail outlets and other places of business. We have instituted such policies to reinforce the home-based business focus of MOXXOR. Representatives may sell MOXXOR products through service establishments. These service establishments must require a membership and/or appointment, and the services performed must be health and wellness or beauty related. MOXXOR produced or approved literature, banners, or signage may be displayed on a shelf, counter, or wall. Signage must not be visible for the outside of the establishment.

Representatives may not sell MOXXOR products to any non-Representative individual, group or entity whose intent or purpose is to resell that product.

# 12.2 Advertizing Policy

The Company firmly believes that each Representative should have every opportunity to promote their business as they wish, provided they adhere to these Polices and Procedures. All advertisements other than corporate-provided materials and templates are required to be approved by the corporate office before distribution. When you promote your business to others, please be aware that any verbiage that contradicts the following specifications are in violation of our Advertising Policies and are subject to Disciplinary Proceedings.

Only invitations, business cards and other flyers that conform to the approved company format or templates may contain the MOXXOR trademark name or logo without written authorization from the corporate office. You may not produce any other documents using the logo without written authorization.

# 12.3 - Required Advertisement Components

Full name and title must be printed as follows:

- First and last name, followed by the official title, "MOXXOR Independent Representative"
- Optional: Representative may list their current rank after their official title
- Contact Information: Telephone number or the Representative's email address may be used.

• Each piece of promotional material containing the Company's trademark name or logo must state that:

"MOXXOR is a trademark of MOXXOR, LLC. and is used under license."

# 12.4 - Optional Advertisement Components

The following are optional:

- Email signatures containing the MOXXOR trademark name or logo, providing that the email signature contains the phrase, "MOXXOR Independent Representative."
- Standard discounts and offers quoted from the then effective MOXXOR promotion if applicable.
- Special discounts or offers may be advertised solely to existing customers.
- Your home address or the home address of someone else on invitations to a home meeting.

Only invitations, business cards and other flyers that conform to the approved company format or templates may contain the MOXXOR trademark name or logo without written authorization from the corporate office. You may not produce any other documents using the logo without written authorization.

12.5 - Prohibited Advertising

• Income claims or earning potential (e.g., "make an extra \$500 a month" or "earn 50 percent profit," etc.).

• Any advertisement that would appear to represent the MOXXOR opportunity as a job or employment opportunity either explicitly or inferred.

Special discounts or offers that may not be advertised to the public that could undermine another Representative's business. (e.g., "no start-up fee," "40% off," etc.).
Pricing that is lower than the established retail price of one bottle or one case of the MOXXOR product plus shipping, handling and applicable taxes. This includes, but is not limited to, offers of free membership, free shipping, or any other such offer that grants advantages beyond those available through the company.

### 12.6 - Specific Requirements

You may utilize the following types of advertisements under the following circumstances.

Business Cards

Representatives must use their full name followed by "MOXXOR Independent Representative." All MOXXOR business cards must be produced in the corporate format (example following). You may include a small photo of yourself to the left or right of the Company logo as long as the photo is not larger than the corporate logo. Do not include any additional information or offer specials on your business cards.

• Chamber of Commerce Listings

Representatives may join their local Chamber of Commerce, and be included in the Chamber's directory (this includes online directories) in any one of the following ways.

- Sally Smith, MOXXOR Independent Representative
- Sally Smith, MOXXOR Independent Rep
- Sally Smith, Independent Rep
- Trademark

Representatives may not duplicate the MOXXOR trademark name or logo without explicit authorization from the corporate office, except for invitations, business cards and company-provided templates.

#### 12.7 - Telephone Greetings and Recorded Messages

Representatives may not have a voicemail or answer the phone in a manner that would lead others to believe they have reached a corporate office of MOXXOR. You may say MOXXOR as

long as the statement "Independent Representative" is also stated. Example: "You have reached Sally Smith, MOXXOR Independent Representative."

### 12.8 - Personalized Checks

MOXXOR's trademark name may be used only if in conjunction with the following:

- Representative's first and last name
- MOXXOR Independent Representative

#### 12.9 - Advertising Items

1. Flyers can be created by the Representative and used to promote a specific event, so long as they conform to the suggested format, as shown in the Representative's Virtual Office. These flyers may be mailed or passed out personally.

2. Vendor event programs distributed at the event may contain the MOXXOR trademark name and the name of the Representative at the event followed by the words "MOXXOR Independent Representative."

- 3. Business cards.
- 4. MOXXOR catalogs.
- 5. Emails to subscribed customers. Spam is not allowed.
- 6. Representative's self duplicated MOXXOR website.

#### 12.10 - Prohibited Advertising Items

Representatives may not advertise or promote their MOXXOR business in any of the following ways without MOXXOR's written permission:

1. Promotional Items

Representatives are not allowed to produce or purchase from any business other than MOXXOR (or their official designated third party) any items with the MOXXOR trademark name or logo, either for promotion or resale, except business cards and other corporate-approved items.

#### 2. Prohibited Methods of Advertising

Prohibited methods of advertisement include but are not limited to the following:

- All mass media (e.g., movie theaters, newspapers, radio, television);
- Magazines promoting your MOXXOR business or the MOXXOR trademark name or logo without written MOXXOR approval;
- Outdoor signs (e.g., billboards, banners, window stenciling on homes);
- Business opportunity promotion via the Internet, including but not limited to, non-corporate websites, web ads, blogs, e-bulletin boards;
- Unsolicited email messages (spam); and
- Online auctions;

• This list is not comprehensive, contact MOXXOR Customer Care for a review of your desired method of advertising.

### 12.11 - News Stories or Interviews

Representatives may participate in unpaid, unsolicited stories or interviews in mass media. The Representative must refer to themselves as a "MOXXOR Independent Representative." The Representative is prohibited from stating or implying that MOXXOR endorses any activity, association or belief. Notwithstanding, if you are approached by the television, news or print media to participate in an interview specifically about MOXXOR, the products, the Compensation Plan, your training, your compensation, or MOXXOR's employees, officers, or owners, you must direct all such inquiries to MOXXOR's corporate office.

### 12.12 – Trade Shows, Exposition, and Other

Representatives may display and/or sell MOXXOR products at trade shows and professional expositions, with prior written approval from MOXXOR. Requests are approved on a first-submitted, first-served basis, and a maximum of one MOXXOR promoting booth per event is allowed. Only one event per Representative at a time is permitted. At the completion of each event, an additional request may be made. MOXXOR further reserves the right to refuse authorization to participate at any function, which it does not deem a suitable forum for the promotion of its products or the MOXXOR opportunity.

### SECTION 13 - INTERNET, WEBSITE and PUBLIC CHAT ROOM POLICIES

MOXXOR provides all Representatives with a Replicated Website to promote and sell MOXXOR Products on the Internet. You may not advertise, sell or promote the MOXXOR opportunity over the Internet by any means other than your MOXXOR Replicated Website.

#### 13.1 – Website Policies

- Representatives may not recruit for the MOXXOR opportunity on the Internet, with the exception of their Company issued MOXXOR Replicated Website.
- Representatives may not place an Internet ad promoting the MOXXOR opportunity or the MOXXOR trademark name or logo on any website.
- Representatives are allowed to promote retail of the MOXXOR product on a personal site including use of approved MOXXOR bottle and capsule images.
- Representatives are permitted to have personal websites that are used to communicate and train Downline team members so long as they do not:
- 1. Recruit, or advertise for recruits or sign-ups
- 2. Represent themselves as a product of MOXXOR, or imply that they are endorsed by MOXXOR.
  - Site cannot use the MOXXOR trademark name or logo on any page
  - Site cannot use the MOXXOR name or any derivation thereof as part of title or web address.
  - The following disclaimer must be present on every page in a clearly readable font type:
    - This page and its links are provided as an independent training resource for Representatives. The articles and resources provided at this site are for educational purposes. They may not have been evaluated by

MOXXOR, Inc., and no endorsement or approval of the content is stated or implied.

THESE MATERIALS ARE NOT SPONSORED BY, ENDORSED BY OR AFFILIATED WITH MOXXOR, LLC.

4. Make income claims, ask for cash or otherwise break any federal, state, or local laws.

5. Make derogatory or libelous statements about the company, or its staff.

• Representatives are prohibited from utilizing the MOXXOR trademark name or logo on any social media site. Some examples of social media sites include but are not limited to, YOUTUBE, FACEBOOK, BEBO, FRIENDSTER, HI 5, LINKEDIN, TWITTER, and MYSPACE.

# 13.2 - Email

• Representatives are permitted to send out email messages to an email club or email group that consist of only existing customers and Upline or Downline Representatives.

- Representatives must ask permission of the recipient before sending out email and provide a way for the recipient to opt out of receiving further emails.
- Representatives are not allowed to send out "spam" email. Spam is any unsolicited email to non-existing customers.
- Email may be sent to individuals requesting information on a MOXXOR business.
- The MOXXOR trademark name or logo may be utilized in your email signature followed by "MOXXOR Independent Representative"

# 13.3 – Domain Names and Email Addresses

Distributors may not use or attempt to register or sell any of MOXXOR's trade names, trademarks, domain name, service names, service marks, product names, or any derivative thereof. However, Distributors may use MOXXOR in the local part (the part before the @ symbol) of an email address.

# 13.4 - All Online Auctions Prohibited

Representatives are not allowed to use online auctions (e.g., eBay or Amazon.com) to sell products, recruit new Representatives, or advertise their business. All listings on eBay, or any similar venue, are strictly prohibited. Representatives will be terminated immediately for any participation in online auctions.

# 14 - INTELLECTUAL PROPERTY

Representatives will be allowed to use the MOXXOR name (in the official font type, ITC Blair MDTT) in online content, discussions and posts with the follow exceptions:

- Use of the MOXXOR name is not allowed in the URL (<u>www.moxxorxyz.com</u>)
- Representatives may not use a domain name that sounds similar to MOXXOR such as <u>www.m0xx0r.com</u>, <u>www.moxxar.com</u>, <u>www.mox-xor.com</u>.
- Use as a URL prefix or suffix is not allowed (moxxor.blogsite.com )
- Representatives may use the MOXXOR name in the path of a domain name (<u>www.xyz.com/moxxor.com</u>)
- Representatives will be allowed to use the MOXXOR name in (in the official font type, ITC Blair

MDTT) content related sites, emails, blogs, and message boards.

• Representatives will not be able to use the word MOXXOR in the numerical format of a phone number such as +1 800 5MOXXOR.

- Representatives will not be able to use the word MOXXOR on their vehicle license plate.
- Representatives will be allowed to include a link back to the MOXXOR Replicated Website from their website, blogs, emails, or message boards.

• Representatives must ensure that company or product information on websites, blogs, and message boards must be consistent with the information on the MOXXOR and the Replicated Websites.

- Representatives are allowed to use the M icon in content related sites, blogs, and message boards.
- Representatives will be required to report any content they see in violations of the online advertising terms to <u>customercare@moxxor.com</u>.

# 15 - INDEPENDENT REPRESENTATIVE-PRODUCED MARKETING

Representatives may create or publish their own printed or video marketing materials, advertising materials, promotional materials, and/or other sales aids (not including apparel see section 14-Compliance for apparel guidelines). All printed or video marketing materials, advertising materials, promotional materials, and/or other sales aids must be approved by MOXXOR's compliance department prior to development and once again before publishing.

• Representatives may sell printed or video marketing materials, advertising materials, tools, training, and/or other sales aids to other MOXXOR Distributors, provided they comply with section 15.1.

• Representatives may not produce for sale or distribution any Company events [or recorded events] and speeches without written permission from MOXXOR.

• Representatives may not reproduce for sale or for personal use any recording of Companyproduced audio or videotape presentations without written permission from MOXXOR.

• MOXXOR further reserves the right to rescind approval for any sales tools, promotional materials, advertisements, or other literature, and Representatives waive all claims for damages or remuneration arising from or relating to such rescission.

# 15.1 - Sale of Representative-Produced Marketing

In order for a Representatives or Entity to be eligible to sell printed or video marketing materials, advertising materials, tools, training, and/or other sales aids to sell to other MOXXOR Representatives they must agree to the following:

• Must receive written authorization from MOXXOR to sell and distribute printed or video marketing materials, advertising materials, tools, training, and/or other sales aids prior to creating or disseminating any such materials.

• Representatives requesting authorization to sell printed or video marketing materials, advertising materials, tools, training, and/or other sales aids must:

 Agrees to maintain complete records of all transactions relating to sales and production of any printed or video marketing materials, advertising materials, tools, training, and/or other sales aids and make available upon demand to MOXXOR for auditing purposes.

Must submit all materials or event agendas with price schedule to MOXXOR for written

approval prior to selling or disseminating.

• Must re-submit to MOXXOR for written approval any time a change is made prior to selling or disseminating to approved materials or event agendas.

• Permits, allows and authorizes MOXXOR to use and/or modify any materials or events for promotional or commercial purposes at anytime without notice.

 Agrees that MOXXOR may without notice or reason rescind permissions to sell or disseminate printed or video marketing materials, advertising materials, tools, training, and/or other sales aids and Representatives and/or Entities agree to waive all claims for damages arising from or relating to such rescission.

 Agrees to provide MOXXOR upon demand copies both printed, electronic and in any other media requested, copies of any and all printed or video marketing materials, advertising materials, tools, training, and/or other sales aids approved for sale and dissemination.

 Agrees that it is the sole responsibility of the selling Representative or Entity to ensure compliance with all laws and regulations and agrees to hold harmless MOXXOR, its agents, officers, and employees resulting from any legal actions resulting from the sale of printed or video marketing materials, advertising materials, tools, training, and/or other sales aids whether approved or un-approved.

• Representatives may not profit from the sale of any official MOXXOR promotional merchandise to other MOXXOR Representatives.

• Representatives agree to hold harmless MOXXOR and its agents, officers, and employees for any consequence resulting from enforcement of this agreement.

# SECTION 16 - INACTIVITY AND CANCELLATION

# 16.1 - Effect of Cancellation

So long as a Representative remains active and complies with the terms of the Representative Agreement and these Policies and Procedures, MOXXOR shall pay commissions to said Representative in accordance with the Compensation Plan. A Representative's bonuses and commissions constitute the entire consideration for the Representative's efforts in generating sales and all activities related to generating sales (including building a Downline Organization). Following a Representative's termination for inactivity, or voluntary or involuntary termination of his or her Representative Agreement (all of these methods are collectively referred to as "termination"), the former Representative shall have no right, title, claim or interest to the marketing organization that he or she operated, or any commission or bonus from the sales generated by the organization. A Representative whose business is terminated will lose all rights as a Representative. This includes the right to sell MOXXOR products and services and the right to receive future commissions, bonuses or other income resulting from the sales and other activities of the Representative's former Downline sales organization. In the event of termination, Representatives agree to waive all rights they may have, including but not limited to property rights, to their former Downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former Downline organization.

Following a Representative's termination of his or her Representative Agreement, the former Representative shall not hold himself or herself out as an MOXXOR Representative. A Representative whose Representative Agreement is terminated shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary termination).

### 16.2 - Involuntary Termination

A Representative's violation of any of the terms of the Agreement, including any amendments that may be made by MOXXOR in its sole discretion, may result in any of the sanctions listed in Section 9.1, including the involuntary termination of his or her Representative Agreement. Cancellation shall be effective on the date on which written notice is mailed, faxed or delivered to an express courier to the Representative's last known address (or fax number), or to his or her attorney, or when the Representative receives actual notice of termination, whichever occurs first.

### 16.3 - Voluntary Termination

A participant in MOXXOR has a right to cancel, at any time, regardless of reason. Termination must be submitted in writing to the Company at its principal business address. The written notice must include the Representative's signature, printed name, address and Representative ID number. Representatives who have resigned may re-apply to become a Representative with MOXXOR after 6 months. A Representative's position is subject to termination due to inactivity (i.e., no purchases of MOXXOR products for resale; no sales of MOXXOR products; no sponsoring; and no attendance at any MOXXOR functions, participation in any other form of Representative activity, or operation of any other MOXXOR business) of 6 full calendar months.

#### 16.4 - Non-Renewal

A Representative may also voluntarily cancel his or her Representative Agreement by failing to maintain the Agreement annually. The Company may also elect not to renew a Representative's Agreement.