

PP Holdings Co, Inc. dba Perfectly Posh

Statement of Policies & Procedures

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1.0 **INTRODUCTION**

1.1 **Mutual Commitment Statement**

- a) **PP Holdings Co, Inc. dba Perfectly Posh**, (hereinafter referred to as (“Perfectly Posh” or “Company”) strives to develop a long-term and mutually rewarding relationship with its Advocates and Customers. In the spirit of mutual respect and understanding, Perfectly Posh is committed to:
 - (i) Providing prompt, professional, and courteous service to its Advocates and Customers;
 - (ii) Providing the highest level of quality products, at fair and reasonable prices;
 - (iii) Exchanging or refunding the purchase price of any product or service as provided in Perfectly Posh’s return policies contained herein;
 - (iv) Delivering orders promptly and accurately;
 - (v) Paying commissions accurately and on a timely basis;
 - (vi) Expediting orders if an error or unreasonable delay occurs;
 - (vii) Maintaining a mutually beneficial Compensation Plan;
 - (viii) Implementing changes to the Compensation Plan or this Statement of Policies and Procedures (the “Policies and Procedures”) with input from Advocates and/or Customers (Note: such changes will be effective thirty (30) days after the date any such changes are published by Perfectly Posh);
 - (ix) Supporting, protecting, and defending the integrity of the Perfectly Posh Business Opportunity;
- b) In return, Perfectly Posh expects that its Advocates will:
 - (i) Conduct themselves in a professional, honest, and considerate manner;
 - (ii) Present Perfectly Posh Corporate and Perfectly Posh product information in an accurate and professional manner;
 - (iii) Present the Compensation Plan and return and exchange policies in a complete and accurate manner;
 - (iv) Not make exaggerated income or product claims;
 - (v) Make reasonable effort(s) to support and train other Advocates and Customers in their Teams;
 - (vi) Not engage in cross-line recruiting, unhealthy competition, or unethical business practices;

- (vii) Support, protect, and defend the integrity of the Perfectly Posh business opportunity.

1.2 Code of Ethics

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

1.3 The Advocate Agreement

- a) Throughout these Policies & Procedures, when the term "Agreement" is used, it collectively refers to the most current version of the following along with any addendums or exhibits

thereto: (i) Perfectly Posh Policies and Procedures; and (ii) Perfectly Posh Compensation Plan.

- b) It is the responsibility of the Sponsoring Advocate to provide the most current version of these Policies and Procedures (available on the Perfectly Posh website), the Income Disclosure Statement, the Compensation Plan, and any and all social media guidelines or any other guidelines which may be implemented from time to time and any amendments thereto to their Team members. The Income Disclosure Statement is attached as Addendum 1 and is incorporated by reference for all purposes.

1.4 Amendments to the Advocate Agreement

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

2.0 BASIC PRINCIPLES

2.1 Independent Contractor Status

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

2.2 Becoming a Perfectly Posh Advocate

- a) To become an Advocate, an applicant must:
 - (i) Be at least 18 years of age;

- (ii) Reside or have a valid address in the United States or U.S. territory in which Perfectly Posh is licensed to operate.
- (iii) Have a valid taxpayer identification number (i.e., Social Security Number, Federal Tax ID Number (EIN);
- (iv) Enter a verified mobile phone number that is not in use or associated with any other Perfectly Posh accounts, which will be verified through a verification code sent to the applicant's mobile phone number.
- (v) Acknowledge and agree to all communications sent by Perfectly Posh, (including but not limited to emails, texts, broadcasts, letters, etc.) with the choice to "opt-out" of these communications.

2.3 New Advocate Enrollment

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

3.0 PERFECTLY POSH ADVOCATE RESPONSIBILITIES

3.1 Correct Address

- a) It is the responsibility of the Advocate or Customer to make sure Perfectly Posh has the correct shipping address before any orders are shipped.
- b) An Advocate and/or Customer will need to allow up to seventy-two (72) hours for processing after the notice of address change has been received by the Perfectly Posh Support Team.

3.2 Training and Leadership

- a) Sponsoring Advocates should have ongoing contact and communication with the Advocates in their Teams. Examples of communication may include but are not limited to, newsletters, written correspondence, personal telephone calls, Team conference calls,

voicemail, e-mail, personal meetings, training sessions, events, workshops, and any other related functions.

- b) A Sponsoring Perfectly Posh Advocate should monitor the Advocates in his or her Team to ensure that they do not make improper product or business claims or engage in any illegal or inappropriate conduct. Upon request, a Sponsoring Advocate must provide documented evidence to Perfectly Posh of his or her ongoing fulfillment of the responsibilities set forth in this Section 3.2.
- c) Advocate leaders are encouraged to educate and train new Advocates about Perfectly Posh's products and services, effective sales techniques, the Compensation Plan, along with compliance with these Policies and Procedures, and any and all social media guidelines or any other guidelines issued by Perfectly Posh. Marketing product is a required activity in Perfectly Posh and must be emphasized in all Recruiting presentations.
- d) Use of Sales Aids. To promote Perfectly Posh products and the Perfectly Posh business opportunity, Advocates are encouraged to use the sales aids and support materials produced or expressly authorized by Perfectly Posh. An Advocate's unauthorized use of sales aids or promotional materials, including but not limited to Internet advertising, social media marketing on Facebook, Instagram, and like, is a violation of these Policies and Procedures. Additionally, publishing marketing materials that violate any number of statutes or regulatory laws governing how Perfectly Posh's products or business opportunity may be marketed is a violation of these Policies and Procedures and may result in immediate termination of the publisher's Perfectly Posh Account. Any such violations could jeopardize the Perfectly Posh's opportunity for all Advocates. Accordingly, Advocates must submit via email all sales aids, promotional materials, advertisements, websites, training material, and flyers, along with any other literature to Perfectly Posh's Compliance Department for approval prior to use at compliance@poshmailbox.com. Unless the Advocate receives specific written approval to use the material(s), the request shall be deemed denied. All Advocates shall safeguard and promote the good reputation of Perfectly Posh and its products. The marketing and promotion of Perfectly Posh, the Perfectly Posh opportunity, the Compensation Plan, and Perfectly Posh products and services shall be consistent with the public interest and must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct or practices.

3.3 Sponsorship

- a) The Sponsor is the person who introduces an Advocate or Customer to Perfectly Posh, helps them complete their enrollment, and supports and trains those in their Team.
- b) Perfectly Posh recognizes the Sponsor as the name shown on an applicant's first enrollment submission to Perfectly Posh.
- c) An applicant may not enroll with Perfectly Posh as an Advocate without personally accepting and agreeing to the terms and conditions of the Perfectly Posh Agreement.
- d) Perfectly Posh recognizes that each new prospect has the right to ultimately choose his or her own Sponsor, but Perfectly Posh will not allow an Advocate to engage in unethical sponsoring activities.

- e) All active Advocates in good standing have the right to Sponsor and enroll others into Perfectly Posh. While engaged in sponsoring activities, it is not uncommon to encounter situations when more than one Advocate will approach the same prospect. Regardless, the prospect maintains the responsibility to select his or her own sponsor.
- f) In the event of a dispute regarding Sponsorship, Perfectly Posh reserves the right to designate a prospect's Sponsor, and all such determinations are final.

3.4 Unethical Sponsoring

- a) Unethical sponsoring activities include but are not limited to, enticing, bidding, or engaging in unhealthy competition by attempting to acquire a prospect or new Advocate away from a fellow Advocate or influencing another Advocate to transfer to a different sponsor.
- b) Allegations of unethical sponsoring must be reported in writing to the Perfectly Posh Compliance Department within the first 30 days of the new Advocate enrollment in question. If the reports are substantiated, Perfectly Posh may transfer the Advocate or the Advocate's Team to another Sponsor or Organization without approval from the current Sponsor. Perfectly Posh remains the final authority in such cases.
- c) Perfectly Posh prohibits the unauthorized manipulation of the Perfectly Posh Compensation Plan and/or marketing plan to trigger commissions or cause the promotion of a downline Advocate in an unearned manner (hereinafter, "Stacking.")
- d) Any Advocate who solicits or entices members of another direct sales company to sell or distribute Perfectly Posh products and services bears the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against an Advocate alleging that they engaged in inappropriate Recruiting of another company's sales force or customers, Perfectly Posh will not pay any of the Advocate's defense costs or legal fees, nor will Perfectly Posh indemnify the Advocate for any judgment, award, or settlement.

3.5 Cross Sponsoring Prohibition

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

3.6 Solicitation for Other Companies or Products

- a) A Perfectly Posh Advocate may participate in other direct sales, multilevel, network marketing, or relationship marketing businesses or marketing opportunities, as long as the Advocate is not Rank 10 or above and it is not a Competing Product as defined herein. However, during the Term of this Agreement and for six (6) months thereafter, a Perfectly

Posh Advocate may not recruit any fellow Perfectly Posh Advocate or Customer for any other direct sales or network marketing business, unless that fellow Advocate or Customer was personally sponsored by such Advocate.

- b) The term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another Advocate or Customer to enroll or participate in any direct sales or network marketing opportunity. This conduct represents recruiting even if the Advocate’s actions are in response to an inquiry made by another Advocate or Customer.
- c) During the term of this Agreement, any Perfectly Posh Advocate must not sell or entice others to sell, any competing products or services, including training materials, to Perfectly Posh Customers or Advocates. Subject to the definition of Competing Products in the Glossary below, any product or service in the same category as a Perfectly Posh product or service is deemed to be competing regardless of differences in cost or quality.
- d) An Advocate may sell non-competing products or services to the Perfectly Posh Customers, or Advocates that they personally sponsored.
- e) A Perfectly Posh Advocate may not offer any non-Perfectly Posh opportunity, products, or services at any Perfectly Posh-related meeting, live or virtual, event, seminar, or convention that other Perfectly Posh Advocates or Customers are known to be attending, or immediately following a Perfectly Posh event.
- f) A violation of any of the provisions in this section shall constitute unreasonable and unwarranted contractual interference between Perfectly Posh and its Advocate and would inflict irreparable harm on Perfectly Posh. In such event, Perfectly Posh may, at its sole discretion, impose any sanction it deems necessary and appropriate against such Advocate or such Advocate’s positions including termination, or seek immediate injunctive relief without the necessity of posting a bond in addition to any other legal remedies to which Perfectly Posh may be entitled.

4.0 AGREEMENTS & GENERAL UNDERSTANDINGS

4.1 Rights Granted

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

4.2 Effect of Termination

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

4.3 Modifying an Advocate's Perfectly Posh Account

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

4.4 Unauthorized Transfer & Re-Enrollment

- a) In the event an Advocate discovers that an Advocate in his or her Team has re-enrolled under a different Advocate, the Advocate has thirty (30) days from the date the Advocate Team member enrolled under a new Advocate to notify the Perfectly Posh Compliance Department and request the Advocate Team member be transferred back to his or her Team. Upon the expiration of the thirty (30) day notice period, the right to re-claim a new Advocate to his or her Team will be waived.

4.5 Change of Sponsors for Advocate

- a) Sponsor changes/corrections may be requested within a period of 72 hours from the time of enrollment. Such adjustments require written permission from the current Sponsor directed to the Support Department.
- b) Sponsor changes are generally not permitted. However, sponsor corrections can be made if they are reported to the Support Department within seventy-two (72) hours from the time of enrollment. Sponsor corrections must be requested in writing by the current (original) Sponsor, stating the reason that the correction needs to be made.

- c) At the discretion of Perfectly Posh, Advocates who have not ordered products or services for at least six (6) months, and whose Account has not been terminated, are eligible to select a new Sponsor of their choice.
- d) When a former Advocate re-enrolls with Perfectly Posh, Perfectly Posh will “compress” (close) the Advocate’s original Account, and a new Perfectly Posh User ID number will be issued to the Advocate. In this scenario, an Advocate may not retain former rank, Team, or rights to commissions from the Advocate’s former Perfectly Posh business or Account.
- e) Perfectly Posh reserves the right to correct Sponsor errors at any time and in whatever manner it deems necessary in its sole discretion.

4.6 Change Organizations

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

4.7 Voluntary Termination

- a) An Advocate may immediately terminate his or her Account and Perfectly Posh business associated therewith by submitting a written notice via email to the Perfectly Posh Support Department support@poshmailbox.com. The written notice must include the following:
 - (i) Statement of the Advocate’s intent to terminate the Account;
 - (ii) Date of termination;
 - (iii) Advocate’s Perfectly Posh User ID;
 - (iv) Reason(s) for terminating the Account, and
 - (v) Advocate’s signature.
- b) An Advocate may not use voluntary termination as a way to immediately change Sponsors. An Advocate who has voluntarily terminated an Account is not eligible to re-enroll with Perfectly Posh or have any financial interest in any Perfectly Posh business for six (6) months from the receipt of the written notice of termination. A terminated Advocate who

promotes Perfectly Posh products or services during the six (6) month waiting period by using another Advocate's or Customer's referral code is in violation of the provision and shall not be permitted to re-enroll until six (6) months following any such offending conduct has ceased.

4.8 Involuntary Termination

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

5.0 BUSINESS ENTITIES

5.1 Definition

- a) A corporation, partnership, limited liability company, or trust (collectively, a "Business Entity") may apply to be a Perfectly Posh Advocate.
- b) A Perfectly Posh Advocate may change their status under the same Sponsor from an individual to a Business Entity in accordance with Section 4.4 of these Policies.

5.2 Indemnification for Actions

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

5.3 Insurance

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

6.0 POLICY VIOLATIONS

6.1 Reporting Policy Violation

- a) An Advocate who observes a violation of these Policies and Procedures by another Advocate or Customer should submit any such violation(s) to the Perfectly Posh Compliance Department via email to compliance@poshmailbox.com. The email should include:
 - (i) The nature of the violation(s);
 - (ii) Specific facts to support the allegations;
 - (iii) Dates;
 - (iv) Number of occurrences;
 - (v) Persons involved; and
 - (vi) Supporting documentation.
- b) The Compliance Department will investigate the reported violations(s) and Perfectly Posh will take appropriate action if warranted.

6.2 Adherence to the Perfectly Posh Compensation Plan

- a) An Advocate must adhere to the terms of the Perfectly Posh Compensation Plan.
- b) An Advocate shall not offer the Perfectly Posh opportunity through or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Perfectly Posh publications.

- c) An Advocate shall not require or encourage a current or prospective Advocate to participate in Perfectly Posh in any manner that varies from the Compensation Plan as set forth in official Perfectly Posh publications.
- d) An Advocate shall not require or encourage a current or prospective Advocate to make a purchase from or payment to any individual or other entity as a condition to participating in the Perfectly Posh Compensation Plan.

6.3 Adherence to Laws and Ordinances

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

6.4 Compliance with Applicable Income Tax Laws

- a) An Advocate accepts sole responsibility for and agrees to pay all federal, state, provincial, and local taxes on any income generated as an Advocate, and further agrees to indemnify Perfectly Posh from any failure to pay such taxes when due. Perfectly Posh encourages Advocates to consult with his/her/its tax advisor(s) to ensure they are compliant with all applicable laws and understand your tax consequences as an independent contractor. At the end of each calendar year, Perfectly Posh will issue to each eligible Advocate an IRS Form 1099, or other applicable documentation required by law, for non-employee compensation of an Advocate.
- b) If an Advocate's business is tax-exempt, the Federal Tax-ID (EIN) must be provided to Perfectly Posh in writing along with any additional documentation requested reflecting such status.
- c) Perfectly Posh is required to charge and remit sales tax to the various states or provinces based on the retail price.
- d) Consent to Paperless Delivery of Tax-Related Documents: As an Advocate, you have the option to receive your 1099 statement electronically. The IRS requires us to obtain your (you being a 1099 recipient) affirmative consent in order to provide you your 1099 statement, which will be done via a portal link made available to you.
 - (i) You are not obligated to give us your consent.
 - (ii) If you do not consent to the receipt of an electronic copy, only a paper copy will be provided.
 - (iii) Consent to receive your statement electronically may be withdrawn any time prior to delivery of the statement via a portal link made available to you.
 - (iv) In the event you withdraw your consent to electronic delivery, tax-related documents, including Form 1099, will no longer be available for download via the portal.

- (v) Statements will be made available until October 15 for the applicable year in this portal and available for download (if you have not withdrawn your consent). After this date, the statement will no longer be available, and you will need to seek a copy from the IRS.

6.5 One Perfectly Posh Business Advocate

- a) An Advocate may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one (1) Perfectly Posh Account. No individual (together with their spouse) may have, operate, or receive compensation from more than one Perfectly Posh Account and business associate therewith. Individuals of the same Family Unit, excluding spouses, may each enter into or have an interest in their own separate Perfectly Posh Account, only if each subsequent family member also meets the eligibility requirements to become an Advocate.

6.6 Actions of Household Members or Affiliated Parties

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

6.7 Identification Numbers and Pay-Out

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

6.8 Sell, Assign, or Delegate Ownership

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

or transfer. Any attempted sale, assignment, or delegation without such approval may be voided at the discretion of Perfectly Posh.

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

6.9 Separating a Perfectly Posh Business

- a) Pending a divorce or dissolution of a Business Entity, the parties must adopt one of the following methods of operation:
 - (i) One of the parties may, with the written consent of the other(s), operate the Perfectly Posh business whereby the relinquishing Spouse, shareholder, partner, member, or trustee ("Relinquishing Party") authorize Perfectly Posh to deal directly and solely with the non-Relinquishing Party.
 - (ii) The parties may continue to operate the Perfectly Posh business jointly on a "business as usual" basis. All compensation paid by Perfectly Posh will be paid into the Individual(s) or Business Entity named as the Advocate on the Account and the Advocate shall indemnify Perfectly Posh from any and all claims of any other party with respect to the Perfectly Posh business and Account and any payment(s) made in connection therewith.
- b) Perfectly Posh will not separate the Team of an Advocate and will issue only one commission payment transfer per Perfectly Posh Account per commission cycle. Under no circumstances will the Team be divided, nor will Perfectly Posh split commissions and/or bonuses.
- c) If a Relinquishing Party has completely relinquished, in writing, all rights to the original Perfectly Posh business and Account, the Relinquishing Party may immediately thereafter

re-enroll under the Sponsor of his or her choice. In such cases, however, the Relinquishing Party shall have no rights to, and shall not solicit, any Advocate or active Customer in the former Organization and must develop a new business in the same manner as any other new Perfectly Posh Advocate. An Advocate in the Relinquishing Party's former Team who wishes to transfer to the Relinquishing Party's new Organization or to any other Organization must comply with the requirements in Section 4.0.

6.10 Succession

- a) The Advocate Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.
- b) Upon the death or incapacity of an Advocate, the Advocate's business may be passed on to his or her legal successors in interest ("Successor"). Whenever a Perfectly Posh business is transferred by a will, the successor acquires the right to collect all bonuses and commissions of the deceased Advocate's Sales Organization. The Successor must:
 - (i) Accept and agree to all the terms of the Advocate Agreement;
 - (ii) Comply with the terms and provisions of the Advocate Agreement;
- c) Any bonus and commissions transferred pursuant to this section will be paid in a single transfer to the successor. The successor must provide Perfectly Posh with an "address of record" to which all bonus and commission Pay-Out will be sent. Payments will be based on the current performance of the position, not the highest rank or volume achieved.
- d) If the business is bequeathed to joint devisees, they must form a Business Entity and acquire a Federal Tax ID (EIN). Perfectly Posh will issue all bonus and commission payments to the managing Business Entity only.
- e) Appropriate legal documentation must be submitted to the Perfectly Posh Compliance Department to ensure the transfer is done properly. To affect a testamentary transfer of a Perfectly Posh business, the Successor must provide the following to the Perfectly Posh Compliance Department:
 - (i) A certified copy of the death certificate; and
 - (ii) A notarized copy of the will.
- f) To complete a transfer of the Perfectly Posh business because of incapacity, the Successor must provide the following to the Perfectly Posh Compliance Department:
 - (i) A notarized copy of an appointment as trustee;
 - (ii) A notarized copy of the trust document or other appropriate legal documentation establishing the trustee's right to administer the Perfectly Posh business; and
 - (iii) An Advocate Agreement accepted and agreed to by the trustee in writing.
- g) If the Successor is already an existing Advocate, Perfectly Posh will allow such Advocate to keep his or her own position plus the inherited position active for up to six (6) months.

By the end of the six (6) month period, the Advocate must have compressed (if applicable), sold, or otherwise transferred either the existing position or the inherited position.

- h) If the Successor wishes to terminate the Perfectly Posh position, he or she must submit a notarized statement stating the desire to terminate the position, along with a certified copy of the death certificate, appointment as trustee, and/or any other appropriate legal documentation.
- i) Upon written request, Perfectly Posh may grant a one (1) month bereavement waiver and extend any deadlines related to the Compensation Plan.

7.0 DISCIPLINARY ACTIONS

7.1 Imposition of Disciplinary Action - Purpose

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

7.2 Consequences and Remedies of Breach

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

- (ix) Legal proceedings for monetary or equitable relief.

7.3 Suspension Procedures

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

8.0 DISPUTE RESOLUTION

8.1 Grievances Against Another Advocate

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

notification letter to present all information relating to the incident for review by Perfectly Posh.

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

8.2 Mediation Disputes Between an Advocate and Perfectly Posh

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

- i) Jurisdiction and venue of any controversy or claim brought under this mediation provision shall be in Collin County, Texas. The Parties further agree that the laws of the State of Texas shall govern all matters, claims, or controversy submitted to mediation pursuant to the Agreement.

8.3 Severability

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

8.4 Waiver

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

8.5 Governing Law

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

8.6 Class Action Waiver

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

9.0 PAYMENT OF COMMISSIONS & BONUSES

9.1 Bonus and Commission Qualifications

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

9.2 Computation of Commissions and Discrepancies

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

9.3 Adjustments to Bonuses and Commissions for Returned Products

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

10.0 ORDERING PRODUCT

10.1 General Product Ordering Policies

- a) "Bonus Buying" is strictly and absolutely prohibited. Bonus Buying includes; (a) the enrollment of individuals or Business Entities as an Advocate or Customers without their knowledge or consent; (b) the fraudulent enrollment of an individual or Business Entity as an Advocate or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or Business Entities as Advocates or Customers ("phantoms"); (d) purchasing Perfectly Posh products or services on behalf of another Advocate or Customer, or under another Advocate's or Customer's ID number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of products, services that cannot reasonably be used or resold in three (3) months; and/or (f) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions, or bonuses that is not driven by bona fide product or service purchases by end consumers.
- b) Perfectly Posh requires that Advocates use their own credit cards and not allow others to use them. An Advocate shall not use another Advocate's or Customer's credit card or debit account to purchase Perfectly Posh products or services.
- c) Regarding an order with an invalid or incorrect payment, Perfectly Posh will attempt to contact the Advocate by phone, mail, and/or e-mail in order to obtain another form of payment. If these attempts are unsuccessful after the expiration of ten (10) business days, the order will be canceled.
- d) Prices are subject to change without notice.
- e) An Advocate or Customer who is a recipient of a damaged or incorrect order must notify Perfectly Posh within thirty (30) calendar days from receipt of the order and follow the steps as set forth in these Policies and Procedures, along with the Return/Exchange Policies and any other guidelines pertaining to product returns and exchanges.

10.2 Sales to Customers

- a) Sales to retail Customers may be done directly through an Advocate's replicated website or directly using product that Perfectly Posh has in inventory.
- b) Advocates will comply with applicable consumer protection laws and regulations (including any consumer rights to receive specific notices and any rights to return product) afforded consumers under applicable consumer protection legislation.
- c) When making a sale to an end Customer, an Advocate must provide him/her with a retail receipt at or prior to the time of the initial sale and every sale thereafter. Advocates will need to customize the template with his/her personal information. If the customer exercises the right to cancel the sale, the Advocate shall follow the refund procedures described in this section.
- d) Advocates or Customers may be asked to return all unused product to Perfectly Posh when requesting a return or exchange. These sales receipts set forth the consumer protection rights afforded by applicable law for direct sales, including the right to cancel (without any

reason) the sales receipt up to ten (10) days after the end Customer receives a copy of the receipt or invoice.

10.3 Insufficient Funds

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

10.4 Credit Card Purchases

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

10.5 Sales Tax Obligation

- a) Advocates shall comply with all federal and local taxes and regulations governing the sale of Perfectly Posh products and services.
- b) Perfectly Posh will collect and remit sales tax on all Advocates and Customer orders. When orders are placed with Perfectly Posh, sales tax is prepaid based upon the suggested retail price and remitted to the appropriate state and local jurisdictions. Advocates may recover the sales tax when he or she makes a sale. Advocates are responsible for any additional sales taxes due on products marked up and sold at a higher price.
- c) Perfectly Posh encourages each Advocate to consult with a tax advisor for additional information for his or her business.

10.6 Refund Policy

a) Perfectly Posh Customers:

- (i) If within the first thirty (30) days you are not satisfied with the product you must contact support@poshmailbox.com and may be asked to return the unused portion of the product for a full refund of the product purchase amount, minus shipping and handling charges incurred. Because Perfectly Posh cannot guarantee the quality of Perfectly Posh products that are sold to Customers by non-Advocates, Perfectly Posh's Refund Policy is not available for products that Customers purchase from anyone other than an Advocate, or Perfectly Posh directly or that are purchased in any unauthorized channel.

b) Perfectly Posh Advocate:

- (i) If within the first thirty (30) days of the original purchase, you are not satisfied with the product, you must contact support@poshmailbox.com and may be asked to return the unused portion of the product for a full refund, minus shipping and handling charges.
- (ii) Between thirty (30) and ninety (90) days, if you are not 100% satisfied with our products or are unable to sell them, you may return the items for a refund if the products are in a resalable condition. (*Resaleable condition means in sealed enclosed boxes with wrapper intact.) The refund shall be 70% percent of the original price for all returned products. Any shipping and handling charges incurred will not be refunded.
- (iii) If you receive a product that is damaged or otherwise defective, you may return the product within thirty (30) days of receipt for a full refund or replacement product.

c) Terminated Advocate. If a terminated Advocate has purchased Perfectly Posh products, Perfectly Posh will issue a refund or credit for any products purchased by the Advocate if: (i) the product is in Resalable condition; (ii) the Resalable product is returned to Perfectly Posh within twenty (20) days from the date of termination; and (iii) the Advocate provides proof the product was purchased within twelve (12) months preceding the date of termination. [Note: the twelve (12) month requirements not applicable to residents of Maryland, Wyoming, Massachusetts, and Puerto Rico]. Refunds are subject to a ten percent (10%) handling fee. Shipping costs are not refundable.

d) Montana Residents: Starter Pack and Cancellation Returns: A new Advocate has up to 15 days to cancel their agreement with Perfectly Posh. The Advocate is entitled to a full refund of the Starter Pack as long as all of the items from the Starter Pack are returned and the items are still sealed and have not been used in any way. Neither shipping and handling charges incurred by an Advocate when the Starter Pack was purchased, nor return shipping fees, will be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account used when purchasing. Per Perfectly Posh's return policy, if an Advocate was paid a commission based on a product(s) purchased, and such product(s) is subsequently returned for a refund, the commission that was paid based on that product purchase will be deducted from the amount of the refund or a future commission payout. Additionally, if an Advocate cancels after 15 days, but within 12 months, and has not received any financial benefit by purchasing a Starter Pack, they can receive a 90% refund on any currently marketable products sold that have not

been resold or consumed. Products are not considered currently marketable if the products have been consumed or are seasonal, discontinued, or special promotional items.

- e) Problems with Shipments: If within thirty (30) days of the reported expected product delivery date, an Advocate does not notify support@poshmailbox.com of a problem with the receipt of the Advocate's order, including but not limited to, failure to receive the product, improper sealing, damage to the container, quality of the internal product, and/or receipt of wrong product, refunds or exchanges will not be given.
- f) All purchases are charged and refunded in U.S. Dollars. All returns, refunds, and exchanges will also be refunded or exchanged in U.S. Dollars. Perfectly Posh is not responsible for fluctuating exchange rates.

10.7 Return Process

- a) All returns, whether by a Customer or Advocate, must be made as follows:
 - (i) Obtain a Return Merchandise Authorization ("RMA") from Perfectly Posh by contacting support@poshmailbox.com and submit a request.
 - (ii) Ship items to the address provided by Perfectly Posh customer service when you receive your RMA.
 - (iii) Provide a copy of the sales receipt or invoice with the returned product. Such invoice must reference the RMA and include the reason for the return.
 - (iv) Ship product back in the original manufacturer's box exactly as it was delivered.
 - (v) All returns must be shipped to Perfectly Posh pre-paid, as Perfectly Posh does not accept shipping collect packages. Perfectly Posh recommends shipping returned product by UPS or FedEx which includes tracking information and insurance, as risk of loss or damage in the shipping process of the returned product shall be borne solely by the Customer or Advocate. If the returned product is not received at the address provided on the RMA, it is the responsibility of the Customer or Advocate to trace the shipment of the product wherein no credit will be applied.
 - (vi) The return of \$500 or more of products accompanied by a request for a refund within one (1) calendar year by an Advocate, may constitute grounds for involuntary termination.

11.0 PERFECTLY POSH OPPORTUNITY

11.1 Presentation of Compensation Plan

- a) In presenting the Perfectly Posh business opportunity, an Advocate is required to:
 - (i) present a copy of the Perfectly Posh Income Disclosure Statement;
 - (ii) refrain from misquoting or omitting any material fact about the Compensation Plan;

- (iii) clearly explain that the Compensation Plan is based upon sales of Perfectly Posh products and services;
- (iv) not make income projections, claims, or guarantees while presenting or discussing the Perfectly Posh opportunity or Compensation Plan to prospective Advocates or Customers;
- (v) inform all prospective Advocates that success requires substantial work;
- (vi) not make any unsubstantiated claims regarding products or services of any products offered by Perfectly Posh, except those contained in official Perfectly Posh literature.
- (vii) not use official Perfectly Posh material to promote the Perfectly Posh business opportunity in any country or territory where Perfectly Posh is not conducting business or is not duly authorized to conduct business.

11.2 Sales Requirements Are Governed by the Compensation Plan

- a) The Perfectly Posh program is built on sales to the ultimate consumer or end-user. Perfectly Posh encourages its Advocates to only purchase inventory, in reasonable quantities, that they and their family will personally consume, will be used as a sales tool, or will be resold to others for their ultimate consumption. Advocates must never attempt to influence any other Advocates to buy more products than they can reasonably use or sell to retail Customers in a three (3) month period.
- b) Each Perfectly Posh Advocate commits to personally use, sell, or use in business building at least seventy percent (70%) of every order placed with Perfectly Posh prior to placing another order and must be able to certify as much if demanded by Perfectly Posh or by any regulatory agency. Purchasing product solely for the purpose of collecting bonuses or achieving rank is strictly prohibited. Perfectly Posh retains the right to limit the amount of purchases you may make if, in our sole judgment, we believe those purchases are being made solely for qualification purposes instead of for consumption or resale.

12.0 PROPRIETARY INFORMATION & TRADE SECRETS

12.1 Reports

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

12.2 Obligation of Confidentiality

- a) During the term of the Perfectly Posh Advocate Agreement and for a period of two (2) years after the termination or expiration of the Advocate Agreement between the Advocate and Perfectly Posh, the Advocate shall not:
 - (i) Use the information in the Reports to compete with Perfectly Posh or for any purpose other than promoting his or her Perfectly Posh business;

- (ii) Use or disclose to any person or entity any confidential information contained in the reports, including disclosure or use to replicate or attempt to replicate the Advocates' Team genealogy in another network marketing company.

12.3 Breach and Remedies

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

12.4 Return of Materials

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

13.0 PRIVACY POLICY

13.1 Introduction

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

13.2 Expectation of Privacy

- a) Perfectly Posh recognizes and respects the importance its Customers or Advocates place on the privacy of their financial and personal information. Perfectly Posh will make reasonable efforts to safeguard the privacy of and maintain the confidentiality of its Customers' or Advocates' financial and account information and nonpublic personal information.
- b) By entering into the Advocate Agreement, an Advocate or Customer authorizes Perfectly Posh to disclose his or her name and contact information to Advocate leaders solely for activities related to the furtherance of the Perfectly Posh business. An Advocate hereby agrees to maintain the confidentiality and security of such information and to use it solely for the purpose of supporting and servicing his or her Team and conducting the Perfectly Posh business.

13.3 Employee Access to Information

- a) Perfectly Posh limits the number of employees who have access to Customers' or Advocates' nonpublic personal information.

13.4 Restrictions on the Disclosure of Account Information

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

14.0 PRODUCT INSPECTION, QUALITY CONTROLS, ADVERTISING, PROMOTIONAL MATERIAL, USE OF PERFECTLY POSH NAMES AND TRADEMARKS

14.1 Inspection, Product Care, and Quality Controls

- a) Promptly upon receipt, Advocates shall inspect Perfectly Posh products and their packaging for damage, broken seals, evidence of tampering, or other product defects. If a product is defective or damaged, Advocates shall not sell the product and must report the defect or damage to Perfectly Posh. Advocates may return products that are damaged or otherwise defective within thirty (30) days of receipt for a full refund or replacement.
- b) Advocates must comply with all instructions provided by Perfectly Posh regarding the proper care, storage, and handling of Perfectly Posh products. Additionally, Advocates shall store all Perfectly Posh products in a dry place at room temperature, away from direct sunlight. Advocates shall also regularly inspect inventory for products that are expired or that will expire within sixty (60) days and shall not sell any such products.
- c) If Perfectly Posh discovers that an Advocate is not properly inspecting products upon receipt, not properly storing and caring for Perfectly Posh products, and/or selling products that are damaged or otherwise defective, Perfectly Posh will investigate the Advocate and take remedial and disciplinary action up to and including involuntary termination of the offending Advocate's Perfectly Posh Account.

14.2 Labeling, Packaging, and Displaying Products

- a) A Perfectly Posh Advocate and/or Customer may not re-label, re-package, refill, or alter labels of any Perfectly Posh product, or service, information, materials, or program(s) in any way. Perfectly Posh products must only be sold in their original containers from Perfectly Posh. Such re-labeling or re-packaging violates federal law, which may result in criminal or civil penalties or liability.
- b) A Perfectly Posh Advocate shall not cause any Perfectly Posh product or service or any Perfectly Posh trade name to be sold or displayed in retail establishments except:
 - (i) Where professional services are the primary source of revenue and the product sales are secondary (e.g., doctor's offices, clinics, health clubs, spas, and beauty salons);
 - (ii) Where the retail establishment is owned or managed by the Perfectly Posh Advocate and the store does not exceed \$1 million in annual gross revenue, and there are five (5) or fewer stores under common ownership of management.
- c) An Advocate may sell Perfectly Posh products and services and display the Perfectly Posh trade name at any appropriate display booth (such as trade shows, expositions, conferences, etc.) with the express written consent of Perfectly Posh. An Advocate may

sell products at a temporary event for a maximum of 21 consecutive days per quarter, and/or a maximum of 21 total days per quarter. As the contracted party for the event, the Advocate must be present at his or her booth for at least 75% of the event. There is no limit to the number of Perfectly Posh Advocates allowed at a temporary event. However, event organizers may impose such a limit. As Advocates are representatives of the Company, they are expected to obey all event rules and act with professionalism and courtesy.

- d) An Advocate or Customer is prohibited to sell Perfectly Posh products and services and display the Perfectly Posh trade name, trademark, or service mark at any kiosk or booth located in any retail establishment, such as a mall or retail facility.
- e) Perfectly Posh reserves the right to refuse authorization to participate at any function that it does not deem a suitable forum for the promotion of its products and services, or the Perfectly Posh opportunity.

14.3 Use of Company's Names and Protected Materials

- a) A Perfectly Posh Advocate must safeguard and promote the good reputation of Perfectly Posh and the products and services it markets. The marketing and promotion of Perfectly Posh, the Perfectly Posh business opportunity, the Compensation Plan, and Perfectly Posh products and services will be consistent with the public interest and must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct and practices.
- b) All promotional materials supplied or created by Perfectly Posh must be used in their original form and cannot be changed, amended, or altered, except with prior written approval from the Perfectly Posh Compliance Department.
- c) The name of Perfectly Posh, each of its product and service names, and other names that have been adopted by Perfectly Posh, in connection with its business are proprietary trade names, trademarks, and service marks of Perfectly Posh. As such, these marks are of great value to Perfectly Posh and are supplied to Advocates for their use only in an expressly authorized manner.
- d) A Perfectly Posh Advocate's use of the name "Perfectly Posh" is restricted to protect Perfectly Posh proprietary rights, ensuring that the Perfectly Posh protected names will not be lost or compromised by unauthorized use. Use of the Perfectly Posh name on any item not produced by Perfectly Posh is prohibited except as follows:
 - (i) [Advocate's name] Independent Perfectly Posh Advocate.
 - (ii) [Advocate's name] Independent Advocate of Perfectly Posh products and services.
- e) Further procedures relating to the use of the Perfectly Posh name are as follows:
 - (i) All stationery (i.e., letterhead, envelopes, and business cards) bearing the Perfectly Posh name or logo intended for use by the Perfectly Posh Advocate must be submitted via email to the Perfectly Posh Compliance Department for approval. Submit to; compliance@poshmailbox.com.
- f) Certain photos and graphic images used by Perfectly Posh in its advertising, packaging, and websites are the results of paid contracts with outside vendors that do not extend to

Advocate. If an Advocate wants to use these photos or graphic images, they must negotiate individual contracts with the vendors for a fee.

- g) A Perfectly Posh Advocate shall not appear on or make use of television or radio or make use of any other media to promote or discuss Perfectly Posh or its programs, products, or services without prior written permission from the Perfectly Posh Compliance Department.
- h) An Advocate may not produce for sale or distribution any Perfectly Posh event or speech, nor may an Advocate reproduce Perfectly Posh audio or video clips for sale or for personal use without prior written permission from the Perfectly Posh Compliance Department.
- i) Perfectly Posh reserves the right to rescind its prior approval of any sales aid or promotional materials to comply with changing laws and regulations and may request the removal from the marketplace of such materials without financial obligation to the affected Advocate.
- j) Claims (which include personal testimonials) as to therapeutic, curative, or beneficial properties of any products offered by Perfectly Posh may not be made except those contained in official Perfectly Posh literature. In particular, no Advocate may make any claim that Perfectly Posh products are useful in the cure, treatment, diagnosis, mitigation, or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only do such unsubstantiated claims violate Perfectly Posh policies, but they also potentially violate federal and provincial laws and regulations.
- k) An Advocate may not make any unsubstantiated claims regarding products or services of any products offered by Perfectly Posh, except those contained in official Perfectly Posh literature.

14.4 Faxes and E-mail - Limitations

- a) Except as provided in this section, an Advocate may not use or transmit unsolicited email, mass email distribution, other commercial electronic messages, or “spamming” that advertises or promotes the operation of his or her Perfectly Posh business. The exceptions are:
 - (i) E-mailing any person who has given prior permission or invitation;
 - (ii) E-mailing any person with whom the Advocate has established a current business or personal relationship.
- b) In all states or the U.S. or International territories where prohibited by law, an Advocate may not transmit, or cause to be transmitted through a third party, (by telephone, facsimile, computer, or other device), an unsolicited advertisement to any equipment, which has the capacity to transcribe text or images from an electronic signal received over a regular telephone line, cable line, ISDN, T1 or any other signal carrying device, except as set forth in this section.
- c) All e-mail or computer-broadcasted documents subject to this provision shall include each of the following:

- (i) A clear and obvious identification that the fax or e-mail message is an advertisement or solicitation. The words “advertisement” or “solicitation” should appear in the subject line of the message;
 - (ii) A clear return path or routing information;
 - (iii) The use of legal and proper domain name;
 - (iv) A clear and obvious notice of the opportunity to decline to receive further e-mail messages from the sender;
 - (v) Unsubscribe or opt-out instructions should be the very first text in the body of the message box in the same size text as the majority of the message;
 - (vi) The true and correct name of the sender, valid sender’s fax or e-mail address, and a valid sender physical address;
 - (vii) The date and time of the transmission; and
 - (viii) Upon notification by the recipient of his or her request not to receive further faxed or e-mailed documents, a Perfectly Posh Advocate shall not transmit any further documents to that recipient.
- d) All e-mail or computer-broadcasted documents subject to this provision shall not include any of the following:
- (i) Use of any third-party domain name without permission; and
 - (ii) Sexually explicit materials.

14.5 Internet and Third-Party Website Restrictions

- a) An Advocate is prohibited from creating or registering any third-party website in order to promote, sell, or advertise their Perfectly Posh business without Perfectly Posh’s express written approval. An Advocate is prohibited to use or attempt to register any of Perfectly Posh’s trade names, trademarks, service names, service marks, product names, URLs, advertising phrases, the Perfectly Posh name, or any derivative thereof, for any purpose including, but not limited to, Internet domain names (URL), third party websites, e-mail addresses, web pages, or blogs.
- b) A Perfectly Posh Advocate and/or Customer may not (directly or indirectly through any intermediary or instrumentality) advertise, offer for sale, or facilitate the offering for sale of any Perfectly Posh products or services or offer the Business Opportunity on any online auction websites, internet retailer sites, or online marketplace websites. Examples of such sites include but are not limited to, eBay®, Amazon, Facebook Marketplace, Jet.com, Walmart.com, and Etsy. This obligation survives the termination of an Advocate’s Agreement with Perfectly Posh.
- c) Social Media sites may be used to sell or offer to sell Perfectly Posh products or services. PROFILES AN ADVOCATE GENERATES IN ANY SOCIAL COMMUNITY WHERE PERFECTLY POSH IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE

ADVOCATE AS AN INDEPENDENT PERFECTLY POSH ADVOCATE, and when an Advocate participates in those communities, Advocates must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at Perfectly Posh's sole discretion, and the offending Advocate will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the Perfectly Posh-approved library, official Perfectly Posh website, App, or social media outlet. If a link is provided, it must link to the posting Advocate's Replicated website.

- d) Anonymous postings or use of an alias on any Social Media site is prohibited, and the offending Advocates will be subject to disciplinary action.
- e) Advocates may not use blog spam, spamdexing, or any other mass-replicated methods to leave blog comments. Comments Advocates create or leave must be useful, unique, relevant, and specific to the blog's article.
- f) Advocates must disclose their full name on all Social Media postings and conspicuously identify themselves as an "Independent Perfectly Posh Advocate". Anonymous postings or the use of an alias is prohibited.
- g) Postings that are false, misleading, or deceptive are prohibited. This includes but is not limited to, false or deceptive postings relating to the Perfectly Posh business opportunity or income therewith, Perfectly Posh's products and services, and/or your biographic information and credentials.
- h) Advocates are personally responsible for their postings and all other online activity that relate to Perfectly Posh. Therefore, even if an Advocate does not own or operate a blog or Social Media site if an Advocate posts to any such site that relates to Perfectly Posh or which can be traced to Perfectly Posh, the Advocate is responsible for the posting. The Advocate is also responsible for postings that occur on any blog or Social Media site that the Advocate owns, operates, or controls.
- i) As a Perfectly Posh Advocate, it is important to not converse with any person who places a negative post against you, other Advocates, or Perfectly Posh. Report negative posts to Perfectly Posh at support@poshmailbox.com. Responding to such negative posts often simply fuels a discussion with someone carrying a grudge who does not hold themselves to the same high standards as Perfectly Posh, and therefore damages the reputation and goodwill of Perfectly Posh.
- j) The distinction between a Social Media site and a website may not be clear-cut because some Social Media sites are particularly robust. Perfectly Posh, therefore, reserves the sole and exclusive right to classify certain Social Media sites as third-party websites which are herein prohibited.
- k) If your Perfectly Posh business is canceled for any reason, you must discontinue using the Perfectly Posh name, and all of Perfectly Posh's trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Social Media sites that you utilize. If you post on any Social Media site on which you have previously identified yourself as an Independent Perfectly Posh Advocate, you must conspicuously disclose that you are no longer an Independent Perfectly Posh Advocate.

- l) Failure to comply with these Policies for conducting business online may result in the Advocate losing their right to advertise and market Perfectly Posh products, services, and Perfectly Posh's business opportunity online in addition to any other disciplinary action available under the Policies and Procedures.
- m) Advocates are prohibited from selling Perfectly Posh products to individuals or entities that they know or should know, intend to resell the products. Advocate must sell Perfectly Posh products only to end-user Customers, and Advocate shall not sell to any person any quantity of Perfectly Posh products greater than that generally purchased by an individual for personal use. Advocates must take reasonable steps to ensure that they do not violate these prohibitions.

14.6 Advertising and Promotional Materials

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

14.7 Testimonial Permission

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

and likeness will not be used in any corporate materials, corporate recognition pieces, advertising or recordings of annual events.

14.8 Telemarketing - Limitations

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

- g) Failure to abide by Perfectly Posh's policies or federal regulations regarding telemarketing may lead to sanctions against the Advocate, up to and including termination of the Advocate's Perfectly Posh Account.
- h) By enrolling as an Advocate, or by accepting commissions, other payments, or awards from Perfectly Posh, an Advocate gives permission to Perfectly Posh and other Advocates to contact them as permitted under the Federal Do Not Call regulations.
- i) In the event an Advocate violates this section, Perfectly Posh reserves the right to institute legal proceedings to obtain monetary or equitable relief.

15.0 INTERNATIONAL MARKETING

15.1 International Marketing Policy

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

17.0 SHIPPING POLICY

- a) All orders are processed within 3 business days.
- b) Orders are not shipped or delivered on weekends or holidays.
- c) If Perfectly Posh is experiencing a high volume of orders, shipments may be delayed by a few days. Please allow additional days in transit for delivery. If there will be a significant delay in shipment of your order, we will contact you via email.
- d) Shipping charges for your order will be calculated and displayed at checkout. Delivery delays can occasionally occur.
- e) Perfectly Posh is not liable for any products damaged or lost during shipping. If you received your order damaged, please contact the shipment carrier to file a claim.
- f) Please save all packaging material and damaged goods before filing a claim.

GLOSSARY OF TERMS

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

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

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

ADVOCATE: An individual or entity who actively promotes, markets, and sells Perfectly Posh products for profit and who actively seeks and Recruits others to do the same in accordance with the Advocate Agreement.

ADVOCATE AGREEMENT: The most current version of the following along with any addendums or exhibits thereto: (i) Perfectly Posh Policies and Procedures; and (ii) Perfectly Posh Compensation Plan.

ADVOCATE LEADER: This term refers to the Advocate(s) above a particular Advocate in a Sponsorship line up to the Company. It is the line of Sponsors that links any particular Advocate to Perfectly Posh.

COMPENSATION PLAN: The guidelines and referenced literature for describing how Advocates can generate commissions and bonuses. This may also be referred to as "The Posh Pay Plan."

COMPETING PRODUCT(S): Any program, product, or service offered by another network marketing/direct sales company with characteristics, functions, benefits, or ingredients similar to those offered by Perfectly Posh, regardless of differences in cost, quality, or other distinguishing factors.

CUSTOMER: Any person who purchases Perfectly Posh products and does not enroll as a Perfectly Posh Advocate.

FAMILY UNIT: Parents or dependent children living at or doing business at the same address as an Advocate.

LINE OF SPONSORSHIP (LOS): A report generated by Perfectly Posh that provides critical data relating to the identities of Advocates, sales information, and enrollment activity of each Advocate's Organization. This report contains propriety, confidential, and trade secret information.

OFFICIAL PERFECTLY POSH MATERIAL: Literature, audio or video recordings, photographs, intellectual property, and/or any other materials developed, printed, published, or distributed by Perfectly Posh to Advocates and/or Customers.

PLACEMENT: An Advocate's position inside his or her Sponsor's organization.

RECRUIT, RECRUITMENT & RECRUITING: Actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another Advocate or Customer to enroll or participate in any direct sales or network marketing opportunity. Recruitment includes but is not limited to messaging, posting, friending, or otherwise contacting known Advocates and/or Customers of Perfectly Posh on social media (e.g., Facebook, Instagram, etc.) to discuss another direct sales or network marketing opportunity. The conduct

described in this paragraph is Recruitment even if the Advocate's actions are in response to an inquiry made by another Advocate or Customer.

RESALABLE: Products shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused, 2) original packaging and labeling have not been altered or damaged, 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price, and 4) the product contains current Perfectly Posh labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

SPONSOR: An Advocate who enrolls other Advocates into Perfectly Posh and is listed as the Sponsor. This is also referred to as an Advocate's "Up 1" because the Sponsor is up one level from an Advocate in the sales organization.

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

TEAM: The Advocates placed below a particular Advocate in his or her sales organization.

WALLET: A secure feature in the back-office software that maintains an Advocate's commissions and bonuses.

ADDENDUM 1

**INCOME DISCLOSURE
STATEMENT**

INCOME DISCLOSURE STATEMENT

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

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