



Policies & Procedures

Independent Sales Representative, Person Policies and Procedures

These Policies and Procedures, in their present form and as amended at the sole discretion of Providers Direct (hereafter "PD" or the "Company"), are incorporated into, and form an integral part of, the PD Independent Sales Representative, Person Agreement.

Throughout these Policies, when the term "Agreement" is used, it collectively refers to the PD Independent Sales Application and Terms and Conditions, these Policies and Procedures, the PD Compensation or Pay Plan, and the PD Business Entity Application (if applicable).

These documents are incorporated by reference into the PD Independent Sales Representative Agreement (all in their current form and as amended by PD). It is the responsibility of each Independent Sales Representative to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures.

The Agreement constitutes the entire contract between PD and the Independent Sales Representative. Any promises, representations, offers, or other communications not expressly set forth in the Agreement are of no force and effect.

PD is a sales and marketing firm that sells products and services via big box stores, online and direct selling through an Independent Sales Representatives. The policies and procedures herein are applicable to all Independent Sales Representatives (hereafter "Independent Sales Representative"). PD Independent Sales Representatives are required to comply with all of the terms and conditions set forth in the Agreement which PD may amend at its sole discretion from time to time, as well as all federal, state, territorial, and local laws governing their PD business and their conduct.

An Independent Sales Representative is one who has completed a PD application and Independent Sales Representative Agreement and has been accepted by PD as an Independent Sales Representative. PD reserves the right to accept or reject anyone as an Independent Sales Representative.

To become a PD Independent Sales Representative, each applicant must:

1. Be of the age of majority in his or her state or country of residence;
2. Have a valid Social Security or Federal Tax ID number (U.S. residents only); and,
3. Submit or online approve a properly completed Independent Sales Representative Application and Agreement to PD.

PD reserves the right to reject any applications for new Independent Sales Representative or applications for renewal.



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Once an Independent Sales Application and Agreement has been accepted by PD, the benefits of the Compensation or Pay Plan and the Independent Sales Agreement are available to the new Independent Sales Representative. These benefits include the right to:

1. Market and promote the sale of PD products and services and profit from these sales;
2. Participate in the PD Compensation Plan (receive bonuses and commissions, if eligible);
3. Sponsor other individuals as Independent Sales Representative into the PD business and thereby, build a Sales Organization;
4. Receive periodic PD literature and other PD communications;
 - a. Participate in PD-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
 - b. Participate in promotional and incentive contests and programs sponsored by PD for its Independent Sales Representative.

The term of the Agreement is one year from the date of its acceptance by PD and a payment of \$89. This shall automatically renew for successive one-year terms for \$89 each successive one-year terms unless cancelled as provided herein. I understand that either party may elect not to renew the Agreement by contacting PD at 5405 Alton Parkway, 5A-372, Irvine, CA, 92604 or online at the Independent Sales Representative login portal.

Independent Contractor Status

Independent Sales Representatives are independent contractors and are not purchasers of a franchise or business opportunity. The Agreement between PD and its Independent Sales Representative does not create an employer/employee relationship, agency, partnership, or joint venture between PD and the Independent Sales Representative. AN INDEPENDENT SALES REPRESENTATIVE SHALL NOT BE TREATED AS AN EMPLOYEE FOR HIS OR HER SERVICES OR FOR FEDERAL OR STATE TAX PURPOSES. All Independent Sales Representative are responsible for paying local, state, and federal taxes due from all compensation earned as an Independent Sales Representative. PD is not responsible for withholding, and shall not withhold or deduct from an Independent Sales Representative's bonuses and commissions, if any, FICA or taxes of any kind, unless withholding becomes legally required.

Each Independent Sales Representative shall indemnify and hold PD harmless from any claims, damages, or liabilities arising out of Independent Sales Representative business practices. PD Independent Sales Representative have no authority (express or implied) to bind PD to any obligation. Independent Sales Representative are not authorized to and will not incur any debt, expense, obligation, or open any checking account on behalf of, for, or in the name of PD. Each Independent Sales Representative agrees that he or she shall control the manner and means by which he or she operates his or her PD business, and shall establish his or her own goals, hours, and determine his or her own methods of sale, so long as he or she complies with these Policies and Procedures and applicable law.

Each Independent Sales Representative shall be solely responsible for paying all expenses incurred, including but not limited to travel, food, lodging, secretarial, office, long distance telephone, and other expenses.



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Indemnification

The Independent Sales Representative, as an independent contractor, is fully responsible for all of his or her verbal and written statements made regarding PD product, services, Compensation Plan, Pay Plan and marketing program which are not expressly contained in writing in the current Independent Sales Agreement, and advertising, or promotional materials supplied directly by PD.

Independent Sales Representative agrees to indemnify PD and hold it harmless from any and all liability including judgments, civil penalties, refund, attorney fees, court costs, or lost business incurred by PD as a result of Independent Sales Representative unauthorized representations.

Marketing Plan and Encouragement

Independent Sales Representative must adhere to the terms of the PD Marketing Plan as set forth in official PD literature. Independent Sales Representatives shall not offer the PD opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official PD literature. Independent Sales Representative shall not require or encourage other current or prospective customers or Independent Sales Representative to participate in PD in any manner that varies from the program as set forth in official PD literature.

Independent Sales Representative shall not require or encourage other current or prospective Independent Sales Representative to execute any agreement or contract other than official PD agreements and contracts in order to become a PD Independent Sales Representative.

Similarly, Independent Sales Representative shall not require or encourage other current or prospective Independent Sales Representatives to make any purchase from, or payment to, any individual or other entity to participate in the PD Compensation Plan other than those purchases or payments identified as recommended or required in official PD literature.

Any Independent Sales Representative who sponsors other Independent Sales Representatives must fulfill the obligation of performing a bona fide supervisory function in the training of those sponsored. Independent Sales Representative must have ongoing contact, communication, and management supervision with his or her sales organization. Examples of such supervision may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, training sessions, and accompanying such individuals to PD training.

Independent Sales Representative should be able to provide evidence to PD semi-annually of ongoing fulfillment of sponsor responsibilities.



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Sales Tax

The PD sales and marketing program is based upon retail sales to the ultimate consumer. Independent Sales Representative agree that they shall not purchase Website products or services solely for the purpose of qualifying for the payment of bonuses or commissions, and further agree that they shall not encourage others to do so.

All Independent Sales Representative are responsible for paying local, state, and federal taxes due on earnings from commissions or any other earnings generated as a seller of PD products and services.

If a PD business is tax exempt, the Federal tax identification number must be provided to PD.

Every year, PD will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who had earnings of over \$600 in the previous calendar year.

Advertising

1. In the conduct of his or her business, the Independent Sales Representative shall safeguard and promote the reputation of PD and its products and services. The marketing and promotion of PD, the PD opportunity, the PD Compensation Plan, the PD Pay Plan and PD products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.
2. PD Independent Sales Representative shall not advertise PD products, services, and/or marketing plans except as specifically approved by PD. PD Independent Sales Representatives agree to make no false or fraudulent representations about PD, its products or services, the PD Compensation Plan, or income potential.
3. Independent Sales Representative agrees not to advertise PD products or services in any way other than through the use of advertising or promotional materials made available to Independent Sales Representative by PD. Independent Sales Representative agrees not to use any written, printed, recorded, or any other material in advertising, promoting, or describing the product or services or the PD marketing program, or in any other manner, any material which has not been copyrighted and supplied by PD, unless such material has been submitted to PD and approved in writing by PD before being disseminated, published, or displayed.
4. All Independent Sales-produced advertising copy, direct mailing, radio, TV, newspaper, and display copy that promotes PD, its products or services or the PD opportunity must be approved in writing before being disseminated, published, or displayed with the exception of blind ads where no reference is made to PD or its products and services or opportunity.



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Trademarks, Trade Names, and Copyrights

1. The names Providers WorldWide, Providers Direct and other names as may be adopted by PD are proprietary trade names and trademarks of PD. As such, these marks are of great value to PD and are supplied to Independent Sales Representative for Independent Sales Representative use only in an expressly authorized manner.
2. Except as provided in these Policies and Procedures, PD will not permit the use of its copyrights, designs, logos, trade names, trademarks, etc. without its prior written permission.
3. Use of the Providers WorldWide or Providers Direct names on any item not produced by the Company is prohibited except as follows:
 - Independent Sales Representative Name***
 - Independent Providers Direct Sales Professional***
4. All Independent Sales Representative may list themselves as an "Independent Providers Direct Sales Representative" in the white or yellow pages of the telephone directory under their own name. No Independent Sales Representative may place telephone directory display ads using and of The Company's trademarks, trade names or logos.
5. Independent Sales Representative may not answer the telephone by saying "Providers Direct", "Providers Worldwide", "Cosmopolitan" or in any other manner that would lead the caller to believe that he or she has reached corporate offices of PD.
6. All PD materials, whether printed, on film, produced by sound recording, or on the Internet, are copyrighted and may not be reproduced in whole or in part by Independent Sales Representative or any other person except as authorized by PD.
7. Permission to reproduce any materials will be considered only in extreme circumstances. Therefore, an Independent Sales Representative should not anticipate that approval will be granted.
8. A PD Independent Sales Representative may not produce, use or distribute any information relative to PD products or services which has not been provided directly by PD. This prohibition includes but is not limited to print, audio, or video media.
9. A PD Independent Sales Representative may not produce, sell, or distribute literature, films, or sound recordings which are deceptively similar in nature to those produced, published, and provided by PD for its Independent Sales Representative. Nor may an Independent Sales Representative purchase, sell, or distribute non-PD materials which imply or suggest that said materials originate from PD.
10. Any display ads or institutional or trademark advertising copy, other than covered in the foregoing rules, must be submitted to PD and approved in writing by PD prior to publication.



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Internet and Website Policy

PD maintains an official corporate web site. Independent Sales Representative are allowed to advertise on the Internet through an approved PD program which allows Independent Sales Representatives to choose from among PD home page designs that can be personalized with the Independent Sales Representative message and the Independent Sales Representative contact information. These websites link directly to the PD website giving the Independent Sales Representative a professional and PD-approved presence on the internet. Only these approved web sites may be used by Independent Sales Representative. Any person using PD's names, logos, trademarks, etc. on the Internet or any other advertising medium, except as permitted by these Policies and Procedures, shall be subject to immediate discipline, including termination of the Independent Sales Agreement.

Domain Names and Email Addresses

Independent Sales Representative may not use or attempt to register any of The Company's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name.

Nor may Independent Sales Representative incorporate or attempt to incorporate any of the Company's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, into any electronic mail address.

Trade Shows

With written authorization from PD, PD products and services, and the PD opportunity may be displayed at trade shows by Independent Sales Representative.

Request for participation in trade shows must be received in writing to PD at least one week prior to the show.

Written authorization from PD must be received before participating in the trade show.

Only PD produced marketing materials may be displayed or distributed.

Change of Business Name

PD reserves the right to approve or disapprove Independent Sales Representative change of business names, formation of partnerships, corporations, and trusts for tax, estate planning, and limited liability purposes. If PD approves such a change by Independent Sales Representative, the organization's name and the names of the principals of the organization must appear on the Independent Sales Representative Application Agreement along with a social security number or federal identification number.



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Upon termination of the Independent Sales Representative Agreement

PD will repurchase sales aids in the possession of the Independent Sales Representative as follows: If the Independent Sales Representative has purchased PD-produced sales aids while the Independent Sales agreement was in effect, all such sales aids in resalable condition then in possession of the Independent Sales Representative, which have been purchased within 12 months of termination, shall be repurchased. The repurchase shall be at a price of not less than ninety percent (90%) of the original net cost to the participant returning such sales aids. In addition, PD will honor statutory mandated buyback requirements of every jurisdiction.

Each Independent Sales Representative shall comply with all state and local statutes, laws, regulations and ordinances governing the sale of PD products and services

PD Independent Sales Representatives are free to participate in other sales and marketing business ventures or marketing opportunities. However, during the term of this Agreement, Independent Sales Representative may not solicit other PD Independent Sales Representative for any other sales, marketing or business.

Following the termination of this Agreement, and for a period of six months thereafter, a former Independent Sales Representative may not recruit any PD Independent Sales Representative or Customer if: 1) that Independent Sales Representative or Customer was in the former Independent Sales Representative Sales Organization; or 2) the former Independent Sales Representative met, developed a relationship with, or gained knowledge of the Independent Sales Representative or Customer by virtue of their mutual participation in PD.

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 PD Independent Sales Representative or customer to enroll or participate in another marketing or direct sales opportunity. This conduct constitutes recruiting even if the Independent Sales Representative actions are in response to an inquiry made by another Independent Sales Representative or Customer.

Independent Sales Representative must not sell, or attempt to sell, any competing non-PD products or services to PD Customers or Independent Sales Representative. Any product or service in the same generic category as a PD product or service is deemed to be.

Independent Sales Representative may not display PD products or services with any other products or services in a fashion that might in any way confuse or mislead a prospective customer or Independent Sales Representative into believing there is a relationship between the PD and non-PD products or services. Independent Sales Representative may not offer the PD opportunity, products or services to prospective or existing Customers or Independent Sales Representative in conjunction with any non-PD program, opportunity, product or service. Independent Sales Representative may not offer any non-PD opportunity, products or services at any PD-related meeting, seminar or convention, or immediately following such event.



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On a periodic basis, PD will supply data processing and organizational activity information and reports to the Independent Sales Representative which will provide information to the Independent Sales Representative concerning the Independent Sales Representative sales organization and product and service purchases and sales.

All such information and reports, and the information contained therein, are confidential and constitute proprietary information and business trade secrets belonging to PD. Independent Sales Representative agrees that such information is transmitted to the Independent Sales Representative in confidence and solely for the purpose of assisting the Independent Sales Representative in managing and developing his or her sales organization.

The Independent Sales Representative agrees that he or she will not disclose such information to any third party directly or indirectly, nor use the information to compete with PD directly or indirectly. The Independent Sales Representative and PD agree that, but for this agreement of confidentiality and nondisclosure, PD would not provide the above confidential information to the Independent Sales Representative.

All information provided by PD in online or telephonic data processing and downline activity reports, including but not limited to personal and group sales volume (or any part thereof), and sales sponsoring activity is believed to be accurate and reliable.

Nevertheless, due to various factors including the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; refunded products or services; credit card and electronic check charge-backs; the information is not guaranteed by PD or any Person creating or transmitting the information.

ALL PERSONAL SALES VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR, BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, PROVIDERS DIRECT AND/OR OTHER PERSON CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY INDEPENDENT SALES REPRESENTATIVE OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF WEBSITE.WS OR OTHER PERSON CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, WEBSITE.WS OR OTHER PERSON CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.



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

Vendor Confidentiality

PD's business relationship with its vendors, manufacturers, and suppliers is confidential. An Independent Sales Representative shall not contact, directly or indirectly, or speak to or communicate with any representative of any supplier or manufacturer of PD except at a PD sponsored event at which the representative is present at the request of PD. Violation of this regulation may result in termination and possible claims for damages if the vendor/manufacturer's association is compromised by the Independent Sales Representative contact.

Upon the death or incapacity of the Independent Sales Representative

His or her rights, together with Independent Sales Representative responsibilities, shall pass to his or her successors in interest upon written application and approval by PD. The successor Independent Sales Representative must fulfill all responsibilities of the Independent Sales Representative.

Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper.

Whenever a PD business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased or incapacitated Independent Sales Representative Sales Organization provided the following qualifications are met.

The successor(s) must:

1. Execute an Independent Sales Agreement;
2. Comply with terms and provisions of the Agreement; and
3. Meet all of the qualifications for the deceased or incapacitated Independent Sales Representative status.

Bonus and commission checks of a PD business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees must provide PD with an "address of record" to which all bonus and commission checks will be sent. If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal taxpayer Identification number. PD will issue all bonus and commission checks and one 1099 to the business entity.



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Transfer upon Death

To effect a testamentary transfer of a PD business, the successor must provide the following to PD: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor's right to the PD business; and (3) a completed and executed Independent Sales Representative Agreement.

Transfer upon Incapacity

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

Sale of Organization

An Independent Sales Representative may not sell, assign, or otherwise transfer his or her PD business or Independent Sales Agreement, or other Independent Sales Representative.

Separation of a PD Business

PD Independent Sales Representative sometimes operate their PD businesses as husband and wife partnerships, regular partnerships, limited liability companies, corporations, or trusts.

At such time as a marriage may end in divorce or a corporation, limited liability company, partnership or trust (the latter four entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship.

If the separating parties fail to provide for the best interests of other Independent Sales Representative and the Company, PD will involuntarily terminate the Agreement.

During the pendency of a divorce or entity dissolution, the parties must adopt one of the following methods of operation:

- a. One of the parties may, with consent of the other(s), operate the PD business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize PD to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
- b. The parties may continue to operate the PD business jointly on a "business-as-usual" basis, whereupon all compensation paid by PD will be paid in the joint names of the Independent Sales Representative or in the name of the entity to be divided as the parties may independently agree between themselves.



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If the parties cannot mutually agree on how the business shall be allocated during the pendency of a divorce or dissolution, the Company shall treat the business according to the status quo as existed prior to the filing of the divorce or dissolution.

Under no circumstances will the Sales Organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will PD split commission and bonus checks between divorcing spouses or members of dissolving entities. PD will recognize only one Sales Organization and will issue only one commission check per PD business per commission cycle.

Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business, the Independent Sales Agreement shall be involuntarily terminated.

If a former spouse or a former entity Independent Sales Representative has completely relinquished all rights in their original PD business, they are thereafter free to enroll under any sponsor of their choosing. In such case, however, the former spouse or partner shall have no rights to any Independent Sales Representative in their former organization or to any former retail customer. They must develop the new business in the same manner as would any other new Independent Sales Representative.

General Provisions

PD expressly reserves the right to alter or amend prices, Rules and Regulations, Policies and Procedures, product or service availability and Compensation or Pay Plan. PD shall notify all Independent Sales Representative of any such amendments by posting the amended document to the Independent Sales Representative web site log-in process. Upon such notification, such amendments are automatically incorporated as part of the agreement between PD and the Independent Sales Representative.

Account holder names cannot be changed

If any Independent Sales Representative wishes to have a different name listed on the account, the Independent Sales Representative must register a new account with the desired name.

Multiple Accounts

Any individual may have multiple PD accounts, whether in their own name or that of a partnership, limited liability company, corporation, or any other entity. However, any individual that has an interest, legal or financial, in more than one (1) PD business or account will not be paid commissions for the same downline on multiple accounts.

If a partnership, limited liability company or corporation wishes to apply to become an Independent Sales Representative, or if an existing Independent Sales Representative wishes to change status to one of these forms of business, the applicant or existing Independent Sales Representative must request a partnership/corporation form from the corporate home office.



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This form must be submitted detailing all partners, members and/or managers, stockholders, officers, and directors in the partnership, limited liability company, or corporation. The partner, member, manager or officer who submits the form must be authorized to enter into binding contracts on behalf of the partnership, limited liability company or corporation.

In addition, by submitting the partnership or corporation form, the applicant or Independent Sales Representative certify that no person with an interest in the business has had an interest in another PD business within the three (3) month period preceding the date of the submission of the form (unless it is the continuation of an existing PD business that is changing its form of doing business).

Corporate, Limited Liability Company and Partnership Guarantee for Owners

Although PD has offered Independent Sales Representative the opportunity to enroll as a corporation, limited liability company, or partnership, it is agreed that since the entity is under the control of its owners or principals, the actions of individual owners as they may affect PD and the subject PD business are also critical to The Company's business.

Therefore, it is agreed that actions of corporate shareholders, officers, directors, agents, or employees, the actions of limited liability company members, managers, or employees, and the actions of partnership partners, agents, or employees, which are in contravention of any term of the Agreement shall be attributable to the corporate or partnership entity.

Actions of Household Members

If any member of an Independent Sales Representative immediate household engages in any activity which, if performed by the Independent Sales Representative, would violate any provision of the Agreement, such activity will be deemed a violation by the Independent Sales Representative and PD may take disciplinary action pursuant to the Agreement against the Independent Sales Representative.

Disciplinary Actions

An Independent Sales Representative violation of any term of the Agreement or any illegal, fraudulent, deceptive, or unethical business conduct may result, at The Company's discretion, in one or more of the following disciplinary actions:

1. Issuance of a written warning or admonition;
2. Imposition of a fine, which may be imposed immediately or withheld from future commission checks;
3. Reassignment of all or part of an Independent Sales Representative organization;
4. Suspension, which may result in termination or reinstatement with conditions or restrictions; or
5. Termination of the Independent Sales Agreement.



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Termination

1. Effect of Termination. So long as an Independent Sales Representative remains active and complies with the terms of the Agreement, PD shall pay commissions to such Independent Sales Representative in accordance with the Compensation Plan.

An Independent Sales Representative bonuses and commissions constitute the entire consideration for the Independent Sales Representative efforts in generating sales and all activities related to generating sales (including building a Sales Organization). Following an Independent Sales Representative non-renewal of his or her Independent Sales Agreement or voluntary or involuntary termination of his or her Independent Sales Agreement (collectively, "termination"), the former Independent Sales Representative shall have no right, title, claim or interest to the Sales Organization which he or she operated, or any commission or bonus from the sales generated by the organization.

An Independent Sales Representative whose business is terminated will permanently lose all rights as an Independent Sales Representative. This includes the right to sell PD products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Independent Sales Representative former downline sales organization. In the event of termination, Independent Sales Representative agree to waive all rights they may have, including but not limited to property rights, to their former Sales Organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former Sales Organization.

2. Following the termination of the Agreement, the former Independent Sales Representative shall not hold himself or herself out as a PD Independent Sales Representative and shall not have the right to sell PD products or services. An Independent Sales Representative whose Independent Sales Agreement is terminated shall receive commissions and bonuses only for the last full pay period he or she was active prior to termination (less any amounts withheld during an investigation preceding an involuntary termination).
3. **Involuntary Termination.** PD reserves the right to terminate any Independent Sales Representative at any time for cause when it is determined that the Independent Sales Representative has violated any provision of the Agreement, including the provisions of these Policies and Procedures as they may be amended, or the provisions of applicable laws and standards of fair dealing. Such involuntary termination shall be made by PD at its discretion. Upon an involuntary termination, PD shall notify the Independent Sales Representative by email or mail at the latest address listed with PD for the Independent Sales Representative. In the event of a termination, the terminated Independent Sales Representative agrees to immediately cease representing himself or herself as



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an Independent Sales Representative.

4. When a decision is made to terminate an Independent Sales Representative, PD will inform the Independent Sales Representative in writing that the Independent Sales Representative is terminated immediately, effective as of the date of the notification. The termination notice will be sent by mail or email to the Independent Sales Representative address on file with PD.
5. Appeal of Involuntary Termination. An Independent Sales Representative whose Agreement is involuntarily terminated will have 15 days from the date of notice of termination in which to appeal the termination. The Independent Sales Representative appeal correspondence must be sent by regular mail and received by PD within 20 days of the notice of termination. If the appeal is not received within the 20-day period, the termination will be automatically deemed final.
6. If an Independent Sales Representative files a timely appeal of termination, PD will review and reconsider the termination, consider any other appropriate action, and notify the Independent Sales Representative of its decision. The decision of PD will be final and subject to no further review. In the event the termination is not rescinded, the termination will be effective as of the date of the original termination notice.
7. PD expressly reserves the right to terminate all Independent Sales Agreements upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products and services via direct selling.
8. Voluntary Termination. A participant in this marketing plan has a right to terminate the Agreement at any time, regardless of reason. Notice of Termination may be submitted in writing to the Company at its principal business address. The written notice must include the Independent Sales Representative signature, printed name, address, and Independent Sales Representative I.D. Number.
9. Non-Renewal. An Independent Sales Representative may also voluntarily terminate his or her Independent Sales Agreement by electing not to renew the Agreement.

Roll-Up of Sales Organization

When a vacancy occurs in a Sales Organization due to the termination of a PD business, each Independent Sales Representative in the first level immediately below the terminated Independent Sales Representative on the date of the termination will be moved to the first level ("front line") of the terminated Independent Sales Representative sponsor.



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All Independent Sales Representative have the right to sponsor others

In addition, every person has the ultimate right to choose his or her own sponsor. If two Independent Sales Representative should claim to be the sponsors of the same new Independent Sales Representative, PD shall regard the first application received by the corporate home office as controlling.

1. As a general rule, it is good practice to regard the first Independent Sales Representative to meaningfully work with a prospective Independent Sales Representative as having first claim to sponsorship, but this is not necessarily controlling.
Basic tenets of common sense and consideration should govern.
2. As a convenience to its Independent Sales Representative, PD may provide various methods of registering or informing PD of newly sponsored Independent Sales Representative, including online registration, telephone registration, and facsimile registration.
3. Until such time as PD receives an application, either as hard copy or by facsimile, containing all appropriate information, as well as the signature of the proposed new Independent Sales Representative, PD will only consider the incomplete telephone or facsimile registration in the category of "intended" registration. Thus, although PD is attempting to create some convenience for its sponsoring Independent Sales Representative, it is the responsibility of the sponsoring Independent Sales Representative to cause delivery to PD of a completed and signed Independent Sales agreement if the sponsor is to expect recognition as the official sponsoring Independent Sales Representative.
4. There is no "magic" involved in PD or in any business. Those who sponsor widely but who do not help new Independent Sales Representative develop their business meet with limited success. Therefore, a responsibility of sponsorship is to work with new Independent Sales Representative, helping them learn the business and encouraging them during the critical early months.
5. Sponsors are not required to carry inventory of sales aids for new Independent Sales Representative. Independent Sales Representative who do so, however, find building a major sales organization much easier because of the decreased response time in meeting a new Independent Sales Representative's needs.



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The PD Compensation Plan is based upon the sale of PD products and services to end consumers.

An Independent Sales Representative must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as an Independent Sales Representative complies with the terms of the Agreement, PD shall pay bonuses and commissions to such Independent Sales Representative in accordance with the Compensation Plan. Independent Sales Representative may elect to receive commission payments by check, through PayPal, or through bankwire.

1. **Payment by Check.** If an Independent Sales Representative chooses to receive commission payments by check, the Company will accrue the commissions until they total at least \$100.00 and a commission check will be issued. PD is not responsible for lost or stolen checks.
2. **PayPal.** If an Independent Sales Representative chooses to receive his or her commission payments through PayPal, there will be a minimum \$3.00 fee imposed and the Independent Sales Representative must accrue at least \$13.00 in commissions before payment through PayPal will be made. If the Independent Sales Representative commissions do not equal or exceed \$13.00, the Company will accrue the commissions until they total at least \$13.00 and payment through PayPal will be made to the Independent Sales Representative. For payments between \$10.00 and \$99.00, the fee is \$3.00. For payments of \$100.00 or more, the fee is 3% of the amount paid.
3. **Bank Wire.** If an Independent Sales Representative chooses the bank wire option, the minimum amount that the Company will wire is \$25.00 and there is a flat \$15.00 wire fee. If an Independent Sales Representative commissions do not equal or exceed \$40.00, the Company will accrue the commissions until they total at least \$40.00 and the bank wire will be made and the \$15.00 wire fee deducted.
4. Independent Sales Representative must deposit or cash commission and bonus checks within **six months** from their date of issuance. A check that remains uncashed after six months will be void. There shall be a \$29.00 charge for reissuing a check, and a \$10.00 fee for each notice that is sent to the Independent Sales Representative. These charges shall be deducted from the balance owed to the Independent Sales Representative.
5. **Adjustments to Bonuses and Commissions.** Independent Sales Representative receive bonuses and commissions based on the actual sales of products and services to end consumers. In the event PD issues a refund for a product or service, the bonuses and commissions attributable to the refunded product or service will be deducted, in the month in which the refund is given, and continuing every pay period thereafter until the commissions and bonuses are recovered from the Independent Sales Representative who received bonuses and commissions on the sales of the refunded product or service.



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Income Claims

No income claims, income projections, nor income representations may be made to prospective Independent Sales Representative. Obviously, any false, deceptive, or misleading claims regarding the opportunity or products and services are prohibited. In their enthusiasm, Independent Sales Representative are occasionally tempted to represent hypothetical income figures based upon the inherent power of human-to-human marketing as actual income projections. This is counter-productive, since new Independent Sales Representative may be quickly disappointed if their results are not as extensive or as rapid as a hypothetical model would suggest. PD believes firmly that the income potential is great enough to be highly attractive in reality without resorting to artificial and unrealistic projections.

Business Cards and Stationery

Any printed materials, including business cards and stationery, must be approved by PD in advance. Criteria for approving these materials will include a judgment regarding the quality of the materials as well as properly setting forth the independent status of the Independent Sales Representative.

Telemarketing

Independent Sales Representative must not engage in telemarketing relative to the operation of their PD businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a PD product or service, or to recruit them for the PD opportunity. "Cold calls" made to prospective customers or Independent Sales Representative that promote either The Company's products or services or the PD opportunity constitute telemarketing and are prohibited.

Notwithstanding the foregoing, an Independent Sales Representative may place telephone call(s) to a prospective customer or Independent Sales Representative (a "prospect") under the following limited situations:

1. If the Independent Sales Representative has an established business relationship with the prospect. An "established business relationship" is a relationship between an Independent Sales Representative and a prospect based on:
 - a. The prospect's purchase, rental, or lease of goods or services from the Independent Sales Representative within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service; or
 - b. A financial transaction between the prospect and the Independent Sales Representative within the eighteen (18) months immediately preceding the date of such a call.
2. The prospect's personal inquiry or application regarding a product or service offered by the Independent Sales Representative, within the three (3) months immediately preceding the date of such a call.



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3. If the Independent Sales Representative receives written and signed permission from the prospect authorizing the Independent Sales Representative to call. The authorization must specify the telephone number(s) which the Independent Sales Representative is authorized to call.
4. Independent Sales Representative may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom an Independent Sales Representative has at least a recent first-hand relationship (*i.e.*, the Independent Sales Representative recently personally met him or her). Bear in mind, however, that if an Independent Sales Representative makes a habit of "card collecting" everyone he or she meets and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if Independent Sales Representative engage in calling "acquaintances," the Independent Sales Representative must make such calls on an occasional basis only and not as a routine practice.
5. In addition, Independent Sales Representative shall not use automatic telephone dialing systems relative to the operation of their PD businesses. The term "automatic telephone dialing system" means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

Unsolicited Faxes and Commercial Emails.

1. **Unsolicited Faxes.** Except as provided in this section, Independent Sales Representative may not use or transmit unsolicited faxes relative to the operation of their PD businesses. The term "unsolicited faxes" means the transmission via telephone facsimile of any material or information advertising or promoting PD, its products or services, its Compensation Plan or any other aspect of the company which is transmitted to any person, except that the term does not include a fax sent: (a) to any person with that Person prior express invitation or permission; or (b) to any person with whom the Independent Sales Representative has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between an Independent Sales Representative and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products or services offered by such Independent Sales Representative; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.
2. **Unsolicited Emails.** PD does not permit Independent Sales Representative to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act. Any email sent by an Independent Sales Representative that promotes PD, the PD opportunity, or PD products and services must comply with the following:



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- a. There must be a functioning return email address to the sender.
- b. The email must include the Independent Sales Representative physical mailing address.
- c. The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- d. The use of deceptive subject lines and/or false header information is prohibited.
- e. All email sent (including, but in no way limited to anything you reply to) with any mention of or linking in any way to our products, services, offering, or anything whatsoever tied to our company must include the direct link to our Global Remove Database. You may include other removal links in your messages, but they cannot use in place of our link. Failure to clearly include our removal link is a direct violation of our Anti-Spam policies. The proper link to use along with working examples can be found in the FAQ sections of our WebSite.
- f. All email sent, (including, but in no way limited to anything you reply to), with any mention of or linking in any way to our products, services, offerings, or anything whatsoever tied to our company must be fully compliant with the Can-Spam Act. They must also be fully compliant with all our additional anti-Spam requirements as outlined above. Failure to comply with all our anti-Spam requirements even if your message is Can-Spam compliant is a direct violation of our Anti-Spam policies.
- g. PD may periodically send commercial emails on behalf of Independent Sales Representative. By entering into the Independent Sales Agreement, Independent Sales Representative agrees that the Company may send such emails and that the Independent Sales Representative physical and email addresses will be included in such emails as outlined above. Independent Sales Representative shall honor opt-out requests generated as a result of such emails sent by the Company.



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Press Inquiries

Any inquiries by the media are to be referred immediately to PD. This policy is to assure accuracy and consistent public image.

- a. Neither federal nor state regulatory agencies nor officials approve or endorse any direct selling program. Therefore, Independent Sales Representative may not represent that the PD program or the PD Compensation Plan has been approved, endorsed or otherwise sanctioned by any governmental agency.
- b. Non-Disparagement. PD values the constructive criticisms and comments of Independent Sales Representative. All such comments should be submitted by email to Info@Provider.Direct. While PD welcomes constructive input, negative comments and remarks made in the field by Independent Sales Representative about the Company, its products and services, or Compensation Plan serve no purpose other than to sour the enthusiasm of other PD Independent Sales Representative. For this reason, and to set the proper example for their sales organization, Independent Sales Representative must not disparage, demean, or make negative remarks about PD, other PD Independent Sales Representative, PD products and services, the Compensation Plan, or The Company's directors, officers, or employees.
- c. Independent Sales Representative observing a Policy violation by another Independent Sales Representative should submit a written report of the violation directly to the attention of the PD Compliance Department. Details of the incidents such as dates, number of occurrences, Person involved, and any supporting documentation should be included in the report.
- d. **Waiver.** PD never gives up its right to insist on compliance with these rules or with the applicable laws governing the conduct of an Independent Sales Representative PD business. No failure of PD to exercise any right or power under the Agreement or to insist upon strict compliance by an Independent Sales Representative with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of The Company's right to demand exact compliance with the Agreement. Waiver by PD can be affected only in writing by an authorized officer of the Company. The Company's waiver of any particular breach by an Independent Sales Representative shall not affect or impair its rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Independent Sales Representative. Nor shall any delay or omission by PD to exercise any right arising from a breach affect or impair its rights as to that or any subsequent breach.
- e. The existence of any claim or cause of action of an Independent Sales Representative against PD shall not constitute a defense to the enforcement of any term or provision of the Agreement by PD.



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Breach

Independent Sales Representative agrees that failure to abide by any provision of this Agreement, the Dispute Policy or the Terms of Use, Independent Sales Representative 's willful provision of inaccurate, unreliable, or false information at any time, Independent Sales Representative 's failure to update Independent Sales Representative 's information to keep it current, complete or accurate, or Independent Sales Representative 's failure to respond for over ten (10) calendar days to inquiries from PD concerning the accuracy of the contact details associated with Independent Sales Representative contact information or use of PD's service(s) shall be deemed by PD to be a material breach by Independent Sales Representative. PD may provide a written notice, describing the breach, to Independent Sales Representative. If, within ten (10) calendar days of the date of mailing of such notice, Independent Sales Representative fails to provide evidence, which is reasonably satisfactory to PD, that it has not breached its obligations, then PD may delete Independent Sales Representative position and/or terminate the other service(s) of PD that the Independent Sales Representative is using without further notice. Any such breach by Independent Sales Representative shall not be deemed to be excused simply because PD did not act earlier in response to that breach, or any other breach, by Independent Sales Representative. PD shall not be obligated to refund any fees paid by Independent Sales Representative or commissions to be paid the Independent Sales Representative if PD terminates this Agreement.



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Representations and Warranties

Independent Sales Representative represents and warrants by submitting this Agreement that: (1) to the best of Independent Sales Representative 's knowledge and belief, the information submitted to PD by Independent Sales Representative or Independent Sales Representative's Agent is true and correct, and that any future changes to this information will be provided to PD in a timely manner according to the agreement and other applicable modification procedures in place at that time; (2) to the best of Independent Sales Representative 's knowledge and belief, neither the registration of Independent Sales Representative 's domain name nor the manner in which Independent Sales Representative intends to use such domain name will directly or indirectly infringe the legal rights of a third party; (3) Independent Sales Representative has all requisite power and authority to execute this Agreement and to perform Independent Sales Representative 's obligations hereunder; (4) Independent Sales Representative is of legal age to enter into this Agreement; and (5) with respect to the Forwarding Service only, Independent Sales Representative has the necessary rights to use the Forwarding Service to forward, point, alias or resolve Independent Sales Representative 's domain name(s) to the other domain name designated by Independent Sales Representative in ordering such Forwarding Service. Independent Sales Representative agrees that use of PD's service(s) is solely at Independent Sales Representative 's own risk. Independent Sales Representative further agrees that all of PD's service(s) are provided on an "as is" and "as available" basis. Any breach of any of these representations and warranties by Independent Sales Representative will constitute a material breach of this Agreement.

- a. **Arbitration. Any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.** Independent Sales Representative waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in the City of Orange, California, unless the laws of the state in which an Independent Sales Representative resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that state. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement.
- b. Nothing in these Policies and Procedures shall prevent PD from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect The Company's interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.



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- c. **Governing Law, Jurisdiction and Venue.** Jurisdiction and venue of any matter not subject to arbitration shall reside in Orange County, State of California unless the laws of the state in which an Independent Sales Representative resides expressly require the application of its laws. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of California shall govern all other matters relating to or arising from the Agreement unless the laws of the state in which an Independent Sales Representative resides expressly require the application of its laws.
- d. **Louisiana Residents.** Notwithstanding the foregoing, Louisiana residents may bring an action against the Company with jurisdiction and venue as provided by Louisiana law.
- e. **Partial Validity.** If any provision of the Agreement, in its current form or as may be amended, be declared invalid or unenforceable by a court of competent jurisdiction, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect, and shall be construed as if such invalid or unenforceable provision never comprised a part of the Agreement.
- f. **Delays.** PD shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, curtailment of a party's source of supply, or government decrees or orders.

Print Name of Independent Sales Representative

Signature

Date

Username