

## **Promptings Terms and Conditions**

Terms and conditions are part of the Consultant agreement.

1. I understand that as a Promptings (“Promptings” or the “Company”) Independent Consultant (“Consultant”). (“Parties” is defined as the Company and the Consultant):
  - a. I have the right to offer Promptings products and services for sale in accordance with this Consultant Agreement. Including all current and future verticals. Currently included is SendOutCards, Stream Marketing, Stream VA, PromptingU, Blue 42 For Life, and Bella Cadeaux. Not all products or services may be available in all countries. Where a product or service is not allowed in a country or location that product or service may not be sold in that location. Where Promptings is stated the statement also applies to any and all verticals unless specifically stated otherwise.
  - b. I have the right to enroll persons in Promptings, within the guidelines as set forth herein.
  - c. I will train and motivate the Consultants in my downline marketing organization.
  - d. I will comply with all federal, state, county and municipal laws, ordinances, rules, and regulations, and shall make all reports and remit all withholdings or other deductions as may be required by any federal, state, county or municipal law, ordinance, rule or regulation.
  - e. I will perform my obligations as a Consultant with honesty and integrity.
  - f. I will abide by these “Promptings Terms and Conditions” and the “Promptings Policies and Procedures” together with any and all amendments thereto.
  - g. I will only use the sales contracts and order forms which are provided by Promptings for the sales of its goods and services when appropriate.
  
2. I agree to present the Promptings Marketing and Compensation Plan and Promptings products and services as set forth in official Promptings literature.
  
3. I agree that as a Promptings Consultant I am an independent contractor, and not an employee, agent, partner, legal representative, or franchisee of Promptings. I am not authorized to and will not incur any debt, expense, obligation, or open any account on behalf of, for, or in the name of Promptings. I understand that I shall control the manner and means by which I operate my Promptings business, subject to my compliance with this Consultant Agreement, the Promptings Policies and Procedures and the Promptings Marketing and Compensation Plan and Terms of Use (all of which are collectively referred to as the “Agreement”). I agree that I will be solely responsible for paying all expenses incurred by myself, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other expenses. I UNDERSTAND THAT I WILL NOT BE TREATED AS AN EMPLOYEE FOR FEDERAL OR STATE TAX PURPOSES. Promptings is not responsible for withholding, and shall not withhold or deduct from my bonuses and commissions, if any, FICA, or taxes of any kind, unless such withholding becomes legally required. I agree to be bound by all sales tax collection agreements between Promptings and all appropriate taxing jurisdictions, and all related rules and procedures.
  
4. I have carefully read and agree to comply with the Promptings Policies and Procedures and the Promptings Marketing and Compensation Plan, both of which are incorporated into and made a part of this Consultant Agreement. I understand that I must be in good standing, and not in violation of any of the terms of this Agreement, in order to be eligible to receive any bonuses or commissions from Promptings. I understand that this Consultant Agreement, the Promptings Policies and Procedures, or the Promptings Marketing and Compensation Plan may be amended at the sole discretion of Promptings, and I agree that any such amendment will apply to me. Notification of amendments shall be published in official Promptings materials. The continuation of my Promptings business or my acceptance of bonuses or commissions shall constitute my acceptance of any and all amendments.
  
5. Consultant may cancel this Agreement, subject to the terms and ongoing obligations contained in the Agreement, at any time by sending a written notice to the Company, along with your Consultant ID Number. Submit your cancellation notice to: Promptings, 5533 Hammerfest Drive, Suite 306, South Jordan Utah 84009. A cancellation form is also available on the website. Unless you cancel, or this agreement is terminated for other

cause, the term of this Agreement is month to month or annually depending on the option purchased. If you fail to renew your Promptings business, or if it is canceled or terminated for any reason, you will permanently lose all rights as a Consultant. You shall not be eligible to sell Promptings products and services nor shall you be eligible to receive commissions, bonuses, or other income resulting from the activities of your former downline sales organization, which shall occur immediately upon your resignation. Promptings expressly reserves the right to terminate all Consultant 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. In the event of cancellation, termination or nonrenewal, you agree to waive all rights you have, including but not limited to property rights, to your former downline organization and to any bonuses, commissions, or other remuneration derived through the sales and/or other activities of your former downline organization. Any cancellation of the Agreement by either you or the Company shall and does not waive in any ongoing obligation you may have under the Agreement and which survive termination.

6. If the Consultant cancels their Consultant agreement and chooses to remain a customer their account status will be changed to Promptings Customer. If the Consultant completely cancels their account, the account will be terminated and a rollup will occur. The former Consultant will lose all of their former downline organization and they may not recover the position in the future.

7. I may not assign any rights or delegate my duties under this Agreement without the prior written consent of Promptings. Any attempt to transfer or assign this Agreement without the express written consent of Promptings renders this Agreement voidable at the option of Promptings and may result in termination of my business.

8. I understand that if I fail to comply with the terms of this Agreement, Promptings may, at its discretion impose upon me disciplinary action as set forth in the Policies and Procedures. If I am in breach, default or violation of this Agreement at termination, I shall not be entitled to receive any further bonuses or commissions, regardless of whether the sales for such bonuses or commissions have been completed.

9. Promptings, its directors, officers, shareholders, employees, assigns, and agents (collectively referred as "Consultants"), shall not be liable for, and I release Promptings and its Consultants from, and waive all claims for consequential and exemplary damages of any kind and for any claim that arises from or relates to the Agreement. I further release Promptings and its Consultants from all liability arising from or relating to the promotion or operation of my Promptings business and any activities related to it (e.g., the presentation of Promptings products or Marketing and Compensation Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.).

10. This Agreement, in its current form and as amended by Promptings at its discretion, constitutes the entire contract between Promptings and myself. Any promises, representations, offers, or other communications not expressly set forth in this Agreement are of no force or effect. To the extent of any conflict or inconsistency between this Agreement and any other agreement (other than the Policies and Procedures), this Consultant Application and Agreement shall supersede and prevail over any term of any other agreement as to the matters addressed herein. To the extent of any conflict or inconsistency between this Agreement and the Policies and Procedures (in their current form or as subsequently modified), the Policies and Procedures shall in all instances supersede and prevail over any term of this Agreement as to the matters addressed herein.

11. Any waiver by Promptings of any breach of this Agreement must be in writing and signed by an authorized officer of Promptings. Waiver by Promptings of any breach of this Agreement by me shall not operate or be construed as a waiver of any subsequent breach.

12. If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be reformed only to the extent necessary to make it enforceable and the balance of the Agreement will remain in full force and effect.

13. This Agreement will be governed by and construed in accordance with the laws of the State of Utah, without regard to principles of conflicts of laws, unless the laws of the state in which I reside expressly require the application of its laws to this transaction (in which case such state law shall govern). All disputes and claims relating to Promptings, the Consultant Agreement, the Promptings Marketing and Compensation Plan or its products and services, the rights and obligations of an independent Consultant and Promptings, or any other claims or causes of action relating to the performance of either an independent Consultant or Promptings under the Agreement or the Promptings Policies and Procedures shall be settled totally and finally by arbitration as specified in the Company's Policies and Procedures.

14. The Parties consent to jurisdiction and venue before any federal or state court in Salt Lake County, State of Utah for purposes of enforcing an award by an arbitrator or any other matter not subject to arbitration. See the Policies and Procedures for additional terms.

15. If a Consultant wishes to bring an action against Promptings for any act or omission relating to or arising from this Agreement, such action must be brought within one year from the date of the alleged original conduct giving rise to the cause of action. Failure to bring such action within one year shall bar all claims against Promptings for such act or omission. Consultant waives all claims that any other statutes of limitations applies.

16. I authorize Promptings to use my name, photograph, personal story and/or likeness in advertising or promotional materials and waive all claims for remuneration for such use.

17. The optional Subscription is a monthly standing order. Your credit card will automatically be charged each month on or about the date designated on the front of the Application. If no date is designated, your card will be charged on or about the same day of each month which you joined.

18. Point or product expiration for all product redemption will take place at the end of the 12th month from date of purchase for any plans that contain points. Some product packages or subscriptions may have varying expiration dates. Where those dates differ, it will be stated for that product on the website. Refer to Policies and Procedures for additional information.

19. You may cancel your Subscription by submitting a written cancellation notice to Promptings at 5533 Hammerfest drive, suite 306, South Jordan Utah 84009. Cancellation notices must be received no later than the 15th day prior to your Subscription date in order to avoid the next month's charge. Cancellation of your Subscription will not cancel your Consultant Agreement.

20. For account cancellation, inactivity and inventory return refer to Policies and Procedures.

21. PROMPTINGS DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. PROMPTINGS SHALL NOT BE RESPONSIBLE FOR DAMAGES, INCLUDING BUT NOT LIMITED TO SPECIAL, ECONOMIC, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY, ARISING FROM OR RELATING TO LOSS OF CUSTOMER'S DATA OR ANY OTHER COMPUTER SYSTEM FAILURE OR PROBLEM.

## NOTICE OF RIGHT TO CANCEL

You may CANCEL this transaction, subject to the terms and ongoing obligations contained in the Agreement, within THREE BUSINESS DAYS from the above date (Five days for Alaska residents or as required by law).

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within TEN BUSINESS DAYS following receipt by the Company of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the Company at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the Company regarding the return shipment of the goods at the Company's expense and risk.

If you do make the goods available to the Company and the Company does not pick them up within 20 days of the date of your Notice of Cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the Company, or if you agree to return the goods to the Company and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this Cancellation Notice or any other written notice, or send a telegram, to Promptings, 5533 Hammerfest Drive, Suite 306, South Jordan Utah 84009, NOT LATER THAN MIDNIGHT of the third business day following the date set forth above.

I HEREBY CANCEL THIS TRANSACTION.

Buyer's Signature \_\_\_\_\_ Date \_\_\_\_\_

## Terms of Purchase

The Terms of Purchase apply to any products or subscriptions purchased through any of Promptings purchase methods.

1. You have the ability to automatically purchase Promptings products through a Subscription. The recommended subscription is a monthly standing order. You can designate the day of the month on which your credit card is to be charged; however, if you do not designate a specific day of the month, your credit card will automatically be charged on or near the same day of each month which you joined.
2. The subscription includes products or services provided by one or more of the Promptings streams. Refer to the description of the subscription on the stream and item subscribed to. Not all features are included in all plans, see Promptings website for current programs and specific details.
3. You may cancel your subscription online or by submitting a written cancellation notice to Promptings at 5533 Hammerfest Drive, Suite 306, South Jordan Utah 84009. Cancellation notices must be received no later than 15 days prior to the date on which the subscription would occur in order to avoid the next month's charge. Cancellation of your subscription will not cancel your Consultant Agreement or your customer account.
4. If an account holder cancels his/her subscription for a product no longer offered by one or more streams they will not be allowed to start a new subscription for that item and must choose another option from those currently available. If an account holder cancels a card sending program or service it will remain in effect until the end of the subscription period. Specially priced products and services are only available through a subscription plan. Refund information may be found in the Policies and Procedures. If you cancel your monthly Subscription and have not purchased any products you may be subject to the phases of inactivity outlined in Promptings Policies and Procedures section 12.6.
5. Point expiration for product redemption will take place at the end of the 12th month from date of purchase. Certain other packages will have different expiration dates. The expiration of the product will be stated on the website. Refer to Policies and Procedures for additional information.
6. PROMPTINGS DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. PROMPTINGS SHALL NOT BE RESPONSIBLE FOR DAMAGES, INCLUDING BUT NOT LIMITED TO SPECIAL, ECONOMIC, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY, ARISING FROM OR RELATING TO LOSS OF ANY CUSTOMER'S DATA OR ANY OTHER COMPUTER SYSTEM FAILURE OR PROBLEM.
7. Promptings is not responsible for delivery delays, damage to, or loss of products by the postal service or other mail or delivery companies in the U.S. or any country.

### **8. SendOutCards Policy on Refunds after Cards are Printed**

This policy is to outline the course of action by SendOutCards LLC, a Promptings Company, and its employees; in the event of user error on the side of the consumer and not with problems related to our website, machinery, or employee error. If a customer requests that we stop the fulfillment of their cards after the order has been placed and in the printing process (meaning no longer able to cancel in the Card History); for the reason of a

mistake or multiple mistakes, made by the consumer (user error); SendOutCards will work with the customer in an attempt to stop the order before being mailed. If the order can be stopped, then a fee for this service will be collected to cover the expense of resources and initiate this process. This is due to the fact that the cards have already been printed.

Heartfelt Prompting Cards and any System Card, with less than 25 cards per order, cannot be stopped once in the printing process.

The fee to stop the order is \$20 to initiate the process and then an additional \$.50 per card recycling fee for any cards that are not mailed out. If the cards cannot be stopped due to them being mailed out, none of the above mentioned fees will be charged.

Please remember, we can only issue refunds for cards that have not been mailed. Therefore, the customer must contact Promptings / SendOutCards Customer Support as early as possible the day the order is being printed for us to be able to attempt to cancel any order of cards.

9. All sales are subject to the return policy for that stream. Services and products sent as gifts may not be refunded except under specific conditions for that stream. The initial sale is subject to the buyer's right to cancel as set forth below:

(Note: All amounts stated in U.S. Dollars for both purchase prices and commissions issued to participating Consultants. International residents' participation with Promptings, is based upon acceptance of applications in the U.S. under U.S. laws and regulations. International residents agree to this condition when doing business with Promptings.)

## TERMS OF USE

Terms of use apply to the use of the Promptings website, app or any interface between the user and any Promptings systems and all streams of products and services.

1. Your Acceptance. By using or visiting Promptings' website or any of Promptings' streams for products, software, and services provided to you on, from, or through Promptings' website or otherwise (collectively the "Services") you signify your agreement to these terms (the "Terms of Use"), and Promptings' privacy notice. If you do not agree to any of these terms or the Promptings privacy notice, please do not use the Services.

Although Promptings may attempt to notify you when major changes are made to these Terms of Use, you should periodically review the most up-to-date version

([https://www.promptings.com/media/pdf/Promptings\\_Terms\\_of\\_Use.pdf](https://www.promptings.com/media/pdf/Promptings_Terms_of_Use.pdf)). Promptings may, in its sole discretion, modify or revise these Terms of Use and policies at any time, and you agree to be bound by such modifications or revisions. Nothing in these Terms of Use shall be deemed to confer any third-party rights or benefits.

2. Services. These Terms of Use apply to all users of the Services, including users who are also contributors of Content on the Services. "Content" includes the text, software, scripts, graphics, photos, sounds, music, videos, audiovisual combinations, interactive features and other materials you may view on, access through, or contribute to the Services. The "Services" include all aspects of Promptings, including but not limited to all products, software and services offered by or through Promptings. The Services may contain links to, or otherwise indicate methods to access third party websites or content providers that are not owned or controlled by Promptings. Promptings has no control over, and assumes no responsibility for, the content, privacy policies, or practices of any third-party websites or content providers. In addition, Promptings will not and cannot censor or edit the content of any third-party. By using the Services, you expressly relieve Promptings from any and all liability arising from your use of any third-party website or content provider.

3. Accounts. In order to access some features of the Services, you will have to create an account with Promptings. You may never use another's account without express written permission to do so. When creating your account, you must provide accurate and complete information. You are solely responsible for the activity that occurs on your account, and you must keep your account password secure. You must notify Promptings immediately of any breach of security or unauthorized use of your account. Although Promptings will not be liable for your losses caused by any unauthorized use of your account, you may be liable for the losses of Promptings or others due to such unauthorized use.

4. Your Use of Content. The following restrictions and conditions apply specifically to your use of Content.

- (i) The Content on the Services, and the trademarks, service marks and logos ("Marks") on the Services, are owned by or licensed to Promptings, subject to copyright and other intellectual property rights under the law.
- (ii) Content is provided to you "AS-IS". You may access Content for your information and personal use solely as intended through the provided functionality of the Services and as permitted under these Terms of Use. You shall not copy, reproduce, distribute, transmit, broadcast, display, sell, license, or otherwise exploit any Content for any other purposes without the prior written consent of Promptings or the respective licensors of the Content. Promptings and its licensors reserve all rights not expressly granted in and to the Services and the Content.
- (iii) You understand that when using the Services, you may expose others to content from a variety of sources, and that Promptings is not responsible for the accuracy, usefulness, safety, or intellectual property rights of or relating to such content. You further understand and acknowledge that your exposure of others to content that is inaccurate, offensive, indecent, or objectionable, and you agree to waive, and hereby do waive, any legal or equitable rights or remedies you have or may have against Promptings with respect thereto, and, to the extent permitted by applicable law, agree to indemnify and hold harmless

Promptings, its owners, operators, Consultants, licensors, and licensees to the fullest extent allowed by law regarding all matters related to your use of the Services.

5. Your Content and Conduct. As a Promptings account holder, you may submit Content to the Services. You understand that Promptings does not guarantee any confidentiality with respect to any Content you submit. You shall be solely responsible for your own Content and the consequences of submitting and publishing your Content through the Services. You affirm, represent, and warrant that you own or have the necessary licenses, rights, consents, and permissions to publish Content that you submit; and you license to Promptings all patent, trademark, trade secret, copyright or other proprietary rights in and to such Content as needed for publication on the Services pursuant to these Terms of Use. For clarity, you retain all of your ownership rights in your Content. However, by submitting Content to Promptings, you hereby grant Promptings a worldwide, non-exclusive, royalty-free, sublicensable and transferable license to use, reproduce, distribute, and display the Content in connection with the Services. You also hereby grant each user of the Services a non-exclusive license to access any Content you deem “public,” through the Services, and to use, reproduce, distribute, display and perform such Content as permitted through the functionality of the Services and under these Terms of Use. The above licenses granted by you are perpetual and irrevocable. You further agree that Content you submit to the Services will not contain third party copyrighted material, or material that is subject to other third-party proprietary rights, unless you have permission from the rightful owner of the material or you are otherwise legally entitled to post the material and to grant Promptings all of the license rights granted herein.

Promptings does not endorse any Content submitted to the Services by any user or other licensor, or any opinion, recommendation, or advice expressed therein, and Promptings expressly disclaims any and all liability in connection with Content. Promptings does not permit copyright infringing activities and infringement of intellectual property rights associated with the Services.

6. Unlimited and/or Enterprise Subscriptions. Promptings Unlimited and/or Enterprise subscription package(s) along with other options are governed by the Fair Use Agreement located below in this document. The Unlimited and Enterprise subscriptions (“Subscriptions”) may offer free unlimited Heartfelt Prompting card sends. These free and unlimited Heartfelt Prompting card sends have limitations and restrictions outlined in the Fair Use section below. The cause of termination by Promptings may be due to abuse of these Terms of Use, Fair Use Agreement or other causes as may be stipulated by Promptings on Promptings’ website, [www.promptings.com](http://www.promptings.com).

7. Warranty Disclaimer. YOU AGREE THAT YOUR USE OF THE SERVICES SHALL BE AT YOUR SOLE RISK. TO THE FULLEST EXTENT PERMITTED BY LAW, Promptings, ITS OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THE SERVICES AND YOUR USE THEREOF. Promptings MAKES NO WARRANTIES OR REPRESENTATIONS ABOUT THE ACCURACY OR COMPLETENESS OF THIS SITE’S CONTENT OR THE CONTENT OF ANY SITES LINKED TO THIS SITE AND ASSUMES NO LIABILITY OR RESPONSIBILITY FOR ANY (I) ERRORS, MISTAKES, OR INACCURACIES OF CONTENT, (II) PERSONAL INJURY OR PROPERTY DAMAGE, OF ANY NATURE WHATSOEVER, RESULTING FROM YOUR ACCESS TO AND USE OF OUR SERVICES, (III) ANY UNAUTHORIZED ACCESS TO OR USE OF OUR SECURE SERVERS AND/OR ANY AND ALL PERSONAL INFORMATION AND/OR FINANCIAL INFORMATION STORED THEREIN, (IV) ANY INTERRUPTION OR CESSATION OF TRANSMISSION TO OR FROM OUR SERVICES, (IV) ANY BUGS, VIRUSES, TROJAN HORSES, OR THE LIKE WHICH MAY BE TRANSMITTED TO OR THROUGH OUR SERVICES BY ANY THIRD PARTY, AND/OR (V) ANY ERRORS OR OMISSIONS IN ANY CONTENT OR FOR ANY LOSS OR DAMAGE OF ANY KIND INCURRED AS A RESULT OF THE USE OF ANY CONTENT POSTED, EMAILED, TRANSMITTED, OR OTHERWISE MADE AVAILABLE VIA THE SERVICES. Promptings DOES NOT WARRANT, ENDORSE, GUARANTEE, OR ASSUME RESPONSIBILITY FOR ANY PRODUCT OR SERVICE ADVERTISED OR OFFERED BY A THIRD PARTY THROUGH THE SERVICES OR ANY HYPERLINKED SERVICES OR FEATURED IN ANY



BANNER OR OTHER ADVERTISING, AND Promptings WILL NOT BE A PARTY TO OR IN ANY WAY BE RESPONSIBLE FOR MONITORING ANY TRANSACTION BETWEEN YOU AND THIRD-PARTY PROVIDERS OF PRODUCTS OR SERVICES. AS WITH THE PURCHASE OF A PRODUCT OR SERVICE THROUGH ANY MEDIUM OR IN ANY ENVIRONMENT, YOU SHOULD USE YOUR BEST JUDGMENT AND EXERCISE CAUTION WHERE APPROPRIATE.

8. Limitation of Liability. IN NO EVENT SHALL Promptings, ITS OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS, BE LIABLE TO YOU FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES WHATSOEVER RESULTING FROM ANY (I) ERRORS, MISTAKES, OR INACCURACIES OF CONTENT, (II) PERSONAL INJURY OR PROPERTY DAMAGE, OF ANY NATURE WHATSOEVER, RESULTING FROM YOUR ACCESS TO AND USE OF OUR SERVICES, (III) ANY UNAUTHORIZED ACCESS TO OR USE OF OUR SECURE SERVERS AND/OR ANY AND ALL PERSONAL INFORMATION AND/OR FINANCIAL INFORMATION STORED THEREIN, (IV) ANY INTERRUPTION OR CESSATION OF TRANSMISSION TO OR FROM OUR SERVICES, (IV) ANY BUGS, VIRUSES, TROJAN HORSES, OR THE LIKE, WHICH MAY BE TRANSMITTED TO OR THROUGH OUR SERVICES BY ANY THIRD PARTY, AND/OR (V) ANY ERRORS OR OMISSIONS IN ANY CONTENT OR FOR ANY LOSS OR DAMAGE OF ANY KIND INCURRED AS A RESULT OF YOUR USE OF ANY CONTENT POSTED, EMAILED, TRANSMITTED, OR OTHERWISE MADE AVAILABLE VIA THE SERVICES, WHETHER BASED ON WARRANTY, CONTRACT, TORT, OR ANY OTHER LEGAL THEORY, AND WHETHER OR NOT THE COMPANY IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY TO THE FULLEST EXTENT PERMITTED BY LAW IN THE APPLICABLE JURISDICTION. YOU SPECIFICALLY ACKNOWLEDGE THAT Promptings SHALL NOT BE LIABLE FOR CONTENT OR THE DEFAMATORY, OFFENSIVE, OR ILLEGAL CONDUCT OF ANY THIRD PARTY AND THAT THE RISK OF HARM OR DAMAGE FROM THE FOREGOING RESTS ENTIRELY WITH YOU.

The Services are controlled and offered by Promptings from its facilities in the United States of America. Promptings makes no representations that the Services are appropriate or available for use in other locations. Those who access or use the Services from other jurisdictions do so at their own volition and are responsible for compliance with local law.

9. Indemnity. To the extent permitted by applicable law, you agree to defend, indemnify and hold harmless Promptings, its officers, directors, employees and agents, from and against any and all claims, damages, obligations, losses, liabilities, costs or debt, and expenses (including but not limited to attorney's fees) arising from: (i) your use of and access to the Services; (ii) your violation of any term of these Terms of Use; (iii) your violation of any third party right, including without limitation any copyright, property, or privacy right; or (iv) any claim that your Content caused damage to a third party. This defense and indemnification obligation will survive these Terms of Use and your use of the Services.

10. Ability to Accept Terms of Use. You affirm that you are either more than 18 years of age, or an emancipated minor, or possess legal parental or guardian consent, and are fully able and competent to enter into the terms, conditions, obligations, affirmations, representations, and warranties set forth in these Terms of Use, and to abide by and comply with these Terms of Use.

11. Assignment. These Terms of Use, and any rights and licenses granted hereunder, may not be transferred or assigned by you, but may be assigned by Promptings without restriction.

12. General. You agree that: (i) the Services shall be deemed solely based in Utah; and (ii) the Services shall be deemed a passive website that does not give rise to personal jurisdiction over Promptings, either specific or general, in jurisdictions other than Utah. These Terms of Use shall be governed by the internal substantive laws of the State of Utah, without respect to its conflict of laws principles. Any claim or dispute between you and

Promptings Consultant Documents

Promptings that arises in whole or in part from the Services shall be decided exclusively by a court of competent jurisdiction located in Salt Lake County, Utah. These Terms of Use, together with any other legal notices published by Promptings, shall constitute the entire agreement between you and Promptings concerning the Services. If any provision of these Terms of Use is deemed invalid by a court of competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions of these Terms of Use, which shall remain in full force and effect. No waiver of any term of this these Terms of Use shall be deemed a further or continuing waiver of such term or any other term, and Promptings' failure to assert any right or provision under these Terms of Use shall not constitute a waiver of such right or provision. Promptings reserves the right to amend these Terms of Use at any time and without notice, and it is your responsibility to review these Terms of Use for any changes. Your use of the Services following any amendment of these Terms of Use will signify your assent to and acceptance of its revised terms.

Signature: \_\_\_\_\_

Dated: \_\_\_\_\_

## Promptings Fair Use Policy

This section covers the details of the Fair Use Police for former Unlimited and Daily Heartfelt packages, also any program that allows larger numbers or unlimited Heartfelt Prompting card sending subscriptions. This section may also apply to any of the services offered by Promptings' streams.

In the details below, the intended purpose of this program is clearly defined. In short, this purpose is for a single user to send an original Heartfelt Prompting card. Additionally, below are parameters set forth by The Company to ensure policy abuse does not ensue.

- Single Card Send – Individual card containing unique personalized messaging (no copy and pasting the same message and/or card repeatedly), sent to one single recipient, one time with an immediate send date.
- Single User Account – All Promptings accounts are intended to be used by one individual or entity.
- Return Address - Return address information on the account may not be changed for the intended purpose stated. This includes the first and last name or business name with the corresponding address.
- Daily Heartfelt, Daily Heartfelt Plus, former Unlimited and Enterprise Subscriptions – Offers free heartfelt card sends (see details below). The term of the subscriptions begins on the date of purchase, continuing until the end of the day prior to the anniversary month.

If you fail to comply with this policy, we reserve the right to cancel your subscriptions and account.

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Promptings (“Promptings” or “The Company”) has available in some streams a subscription that includes larger quantities and formerly unlimited Heartfelt Prompting card sends. These free and former unlimited Heartfelt Prompting card sends are offered during the term of the Subscriptions. The term is the month beginning on the date of purchase of the Subscriptions, continuing until the end of the day prior to the anniversary month of the Subscriptions. The Subscriptions are automatically renewed from month to month until canceled by the subscribing individual. The Subscriptions are also terminated if the subscribing individual’s payment method is denied or The Company terminates the Subscriptions for cause. The cause of termination by The Company may be due to abuse of this policy or other causes as may be stipulated by The Company on the web site.

Free Heartfelt Prompting card sends that are included in the Subscriptions are defined as a single individual card that contains unique personalized messaging (no copy and pasting the same message and/or card repeatedly), sent to one single recipient one time with an immediate send date. The card cannot be scheduled for a future date to be sent. The card can be created from designated catalog cards and from designated favorite cards in the users Favorites category. The free Heartfelt Prompting card sends do not include cards that have previously been saved to be sent again or any card that is a part of a campaign, group or system send. The free Heartfelt Prompting card sends do not include cards intended to advertise, sell or promote the sale of any product or service. If a card contains a unique, heartfelt message it can contain up to 20 percent content that is business related. For clarity as long as 80 percent, or more, of the message is heartfelt, then up to 20 percent can be business related. The Company may designate any card as not eligible for a free card send at The Company’s discretion.

All Promptings accounts are intended to be used by one individual or entity. Accounts are to be used by one individual for their own card sending and may be used to send cards for their immediate family members. This includes a spouse and any children living in the same household. This does not include extended family members or visiting family members that live in household or are visiting the household. If the account was created for business use then cards may be sent for the business and under the name of the business or the individual that purchased the account and Subscriptions. The account may not be used by multiple employees of a business. Each employee of the business would be required to have their own account if they intend to send

cards from that employee of that business. Return address information on the account may not be changed for the intended purpose stated. This includes the first and last name or business name with the corresponding address. Subscriptions are not to be shared amongst multiple individuals. Cards sent by another individual or company that has been contracted or paid to send the cards in place of the account holder are not permitted. All Heartfelt Prompting cards must be sent by the account holder and not a third party.

The Promptings system is intended to be accessed through The Company's web site or official iOS/ Android app and not as part of a third party's program or system that has been created to access the systems abilities in any manner not directly programmed or intended by The Company. This includes any system created using macros, scrapping or other technologies developed to bypass the designed web site. Also included in this is the use of copy and paste to send the same message and/or card repeatedly, and attempts to bypass the campaign or group send features. Third parties may contract access to The Company's system through API as long as it enters into an agreement with The Company prior to use of the system. This does not apply to apps that are programmed and released for use by The Company to individual users. Additionally, this does not apply to third party apps that are used to create custom card images that are uploaded into a valid Promptings account.

Individual accounts are intended to be used on only one system at a time. Accounts may be accessed using any computer system, mobile device or app. However, only one access at a time by any one device is allowed. There may not be simultaneous connections made or multiple simultaneous sessions at any time. A user is expected to log out of one system before logging in on another system.

Promptings reserves the right to monitor and control throughput of free Heartfelt Prompting cards within the system and discontinue or limit allowing users to send cards based on usage and velocity of usage of the system. Promptings will apply a daily card limit on free Heartfelt Prompting card use as necessary. If a user exceeds the limited amount free Heartfelt Prompting cards, sending will be discontinued, the user may continue to send cards by paying for each individual card at the rate for the subscription that they are on. Free card sending will be allowed to resume the following billing cycle. If excessive abuse of free cards sending is determined by Promptings The Company may cancel the subscription of the user and may also opt to terminate the account of the user. If that user is a Consultant, The Company may choose to terminate the Consultant Agreement with that user at the same time.

Promptings will contact any Consultant violating the Fair Use Policy by email. The first contact will contain a warning of the violation and offer to educate the Consultant. The held cards will be released and mailed as long as they do not exceed the maximum postage or violate any other part of the Fair Use Policy. If the sending of the cards would exceed the maximum postage limit the Consultant may be offered to have the cards sent as long as they pay the postage for the excessive number of cards. On the second occurrence of a Fair Use Policy violation, all cards may be canceled and the Consultant will receive an email explaining their continued violation of the policy. If possible, the Consultant may be offered the opportunity to have their cards sent if they choose to pay any required postage or card costs. If a third occurrence takes place the Consultant will be notified by email. All the cards will be canceled, the subscription will be canceled, and the Consultants account will be locked out. The Consultant may request to have their account reinstated if they agree to follow the Fair Use Policy. If a fourth occurrence takes place, all the penalties of the third occurrence will be implemented and the Consultant may have their account canceled or may be allowed to continue without being allowed to have a large Free Card Subscription Plan.

Promptings reserves the right to cancel Subscriptions, terminate accounts, or apply any Disciplinary Sanctions as outlined in the policies and procedures section 9.1 and prevent the user from any new accounts or Subscriptions if they violate this policy. This applies to any customer or Consultant with a Consultant application agreement with The Company. Any user that violates this policy and has any sanctions taken against them may appeal this decision to The Company. The Company will investigate any such requests and will be the final decision maker in all cases.

**Promptings**  
**STATEMENT OF POLICIES AND PROCEDURES**  
*October 2024*

**SECTION 1 - CORPORATE MISSION STATEMENT**

*Help millions of people act on their promptings, and create a vehicle for financial freedom.*

**SECTION 2 - INTRODUCTION**

**2.1 - Policies and Compensation Plan Incorporated into Consultant Agreement**

These Policies and Procedures, in their present form and as amended at the sole discretion of Promptings, LLC. (hereafter “Promptings” or the “Company”), are incorporated into, and form an integral part of, the Promptings Consultant Agreement. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the Promptings Consultant Application and Agreement, these Policies and Procedures, the Promptings Marketing and Compensation Plan, and the Promptings Business Entity Application (if applicable), and the Fair Use Agreement. These documents are incorporated by reference into the Promptings Consultant Agreement (all in their current form and as amended by Promptings). It is the responsibility of each Consultant 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. When sponsoring or enrolling a new Consultant, it is the responsibility of the sponsoring Consultant to provide access to the most current version of these Policies and Procedures and the Promptings Marketing and Compensation Plan to the applicant prior to his or her execution of the Consultant Agreement.

**2.2 - Purpose of Policies**

Promptings is a direct sales company that markets products and services through Independent Consultants. It is important to understand that your success and the success of your fellow Consultants is dependent upon the integrity and personal effort of the Consultants who market our products and services. To clearly define the relationship that exists between Consultants and Promptings, and to explicitly set a standard for acceptable business conduct, Promptings has established the Agreement.

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

**2.3 - Changes to the Agreement**

Because federal, state, and local laws, as well as the business environment, periodically change, Promptings reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By signing the Consultant Agreement, a Consultant agrees to abide by all amendments or modifications that Promptings elects to make. Amendments shall be effective upon notice to all Consultants that the Agreement has been modified. Notification of amendments shall be published in official Promptings materials. The Company shall provide or make available to all Consultants a complete copy of the amended provisions by posting on the Company’s official web site and/or electronic mail (email). The continuation of a Consultant’s account or a Consultant’s acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

## **2.4 - Delays**

Promptings 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.

## **2.5 - Policies and Provisions Severable**

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

## **2.6 - Waiver**

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of Promptings to exercise any right or power under the Agreement or to insist upon strict compliance by a Consultant 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 Promptings right to demand exact compliance with the Agreement. Waiver by Promptings can be affected only in writing by an authorized officer of the Company. Promptings waiver of any particular breach by a Consultant shall not affect or impair Promptings rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Consultant. Nor shall any delay or omission by Promptings to exercise any right arising from a breach affect or impair Promptings rights as to that or any subsequent breach.

The existence of any claim or cause of action of a Consultant against Promptings shall not constitute a defense to Promptings enforcement of any term or provision of the Agreement.

## **SECTION 3 - BECOMING A CONSULTANT**

### **3.1 - Requirements to Become a Consultant**

To become a Promptings Consultant, each applicant must:

- 3.1.1** - Be at least 18 years of age;
- 3.1.2** - Reside in the United States or U.S. territories;
- 3.1.3** - Have a valid Social Security, Federal Tax ID Number, and submit a US IRS form W-9;
- 3.1.4** - Pay the Promptings Consultant Fee (not applicable where prohibited by law);
- 3.1.5** - Submit a properly completed and signed Consultant Application and Agreement or submit an online agreement from the Company's website at [www.promptings.com](http://www.promptings.com); and
- 3.1.6** - Agree to use his or her best efforts to sell and promote Promptings and its products and services; and
- 3.1.7** - INTERNATIONAL RESIDENTS – International Residents in countries designated as open for business are welcome to sign up with Promptings under the condition that they meet the requirement of section 3.1 of Policies and Procedures and are aware that:
  - 3.1.7.1** All prices and commissions are always stated in U.S. dollars in all Promptings materials (unless specifically stated otherwise).
  - 3.1.7.2** You may refer other international residents to sign up with Promptings as customers or Consultants ONLY if that country is designated as OPEN for business by Promptings.
  - 3.1.7.3** ALL International Consultants who sign up with Promptings AGREE they are signing up under U.S. laws and regulations with Promptings accepting and making such sales and contracts in the U.S.

- 3.1.7.4 All international residents agree to provide two (2) forms of identification information to Promptings to be accepted as Consultants. Such identification shall include Citizens ID number, valid passport number, or valid driver's license number.
- 3.1.7.5 All international residents agree that to be eligible for commissions, they will file with Promptings, a US IRS W-8BEN for claiming exemption from U.S. withholding on commissions and provide a valid email address.
- 3.1.7.6 Any income taxes required to be reported to or paid to the home country of the Consultant on commissions paid are wholly the responsibility of the Consultant receiving such commissions and NOT the responsibility of Promptings.
- 3.1.7.7 All international residents understand some aspect of the compensation plan available in the U.S. may not be available nor offered by Promptings in every country. Specifically, fundraising kits and activities, booths, and shows are NOT allowed in locations other than the U.S. In addition, seminars may be offered on a FREE basis in some countries, and no commissions or compensation will be paid for attendees. Certain products or services may not be available in all locations.
- 3.1.7.8 Prices charged to international residents for delivery to international locations may be adjusted for basic products, shipping and handling and to include sales taxes (including VAT, GST, or any other value added tax) as required by local laws for supply of materials based on internet sales and location of supply.
- 3.1.7.9 If you elect to retail products from your Promptings account in your country and engage in retail sales, you are responsible for any sales or other taxes (GST/HST/VAT/IVA) to be collected and must remit these on your own to your countries tax authorities.

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

### **3.2 - New Consultant Registration**

A Sponsor or a potential new Consultant may call the Promptings home office during regular business hours to receive a Consultant Identification Number. A properly completed Consultant Application and Agreement must be submitted within 30 days from the date of the telephone enrollment. Persons enrolled via telephone enrollment will not be included in the Company genealogy until a signed Consultant Application and Agreement is received by the company. Applicants who enroll online will receive a Consultant Identification Number immediately and/or emailed to them via auto-responder.

### **3.3 - Consultant Benefits**

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

- 3.3.1 - Purchase Promptings products and services at the price of the plan they choose;
- 3.3.2 - Retail Promptings products or resell services, which are described in the Promptings product catalog and profit from these sales;
- 3.3.3 - Participate in the Promptings Marketing and Compensation Plan (receive bonuses and commissions, if eligible);
- 3.3.4 - Sponsor other individuals as Customers, Referral Customers or Consultants into the Promptings business model and thereby, build a marketing organization and progress through the Promptings Marketing and Compensation Plan;
- 3.3.5 - Receive periodic Promptings literature and other Promptings communications;
- 3.3.6 - Participate in Promptings-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- 3.3.7 - Participate in promotional and incentive contests and programs sponsored by Promptings for its Consultants.

### **3.4 - Renewal of Your Promptings Business**

The term of the Consultant Agreement is either one month or one year from the date of its acceptance by Promptings, depending on the option chosen. Consultants must renew their Consultant Agreement each month or year by paying a renewal fee as determined by the Company on or before the monthly or annual anniversary date of their Consultant Agreement. If the renewal fee is not paid within 30 days after the expiration of the current term of the Consultant Agreement, the Consultant Agreement will be considered canceled. The Consultant's account will be placed in non-renewal status. The former Consultant will be able to continue to use their account and purchase Promptings products and services as a customer. The former Consultant will no longer be eligible to receive payout of any type. The former Consultant will not have access to their former downline Consultants or customers. Consultants may elect to utilize the Automatic Renewal Program ("ARP"). Under the ARP, the renewal fee may be: (a) deducted from the Consultant's bonus check for the anniversary date of the Consultant Agreement; or (b) charged to the Consultant's credit card or checking account. Promptings may elect to not renew any Consultant account for any reason it deems to be in the best interest of the Company, its customers and other Consultants. Consultants who fail to renew will be terminated, moved to non-active status, or converted to an appropriate customer account as determined by the company. Once placed in non-active status, a former Consultant may reactivate to Consultant status by paying the renewal. If the Consultant account was converted to a customer account, the former Consultant will be required to purchase a new Consultant program and no commissions or bonuses will be earned during the period of non-active status.

### **3.5 - Renewal of Your SendOutCards Business**

With the creation of Promptings existing SendOutCards only Consultants are allowed to remain as SendOutCards only if they so choose. The term of the Consultant Agreement is one year from the date of its acceptance by Promptings. Consultants must renew their Consultant Agreement each year by paying an annual renewal fee as determined by the Company (currently \$79.00 US plus applicable taxes) on or before the anniversary date of their Consultant Agreement. If the renewal fee is not paid within 30 days after the expiration of the current term of the Consultant Agreement, the Consultant Agreement will be canceled. The Consultant's account will be placed in non-renewal status. The former Consultant will be able to continue to use their card sending account and purchase SendOutCards products. The former Consultant will no longer be eligible to receive payout of any type. The former Consultant will not have access to their former downline Consultants or customers. Consultants may elect to utilize the Automatic Renewal Program ("ARP"). Under the ARP, the renewal fee may be: (a) deducted from the Consultant's bonus check for the anniversary month of the Consultant Agreement; or (b) charged to the Consultant's credit card or checking account. SendOutCards may elect to not renew any Consultant account for any reason it deems to be in the best interest of the Company, its customers and other Consultants. Consultants who fail to renew will be converted to an appropriate customer account as determined by the company. Once placed in non-active status, a former Consultant may reactivate to Consultant status by paying the renewal. If the Consultant account was converted to a customer account, the former Consultant will be required to purchase a new Consultant program under the Promptings plan and will not be able to restore their former SendOutCards only status. The SendOutCards only option will be discontinued at the end of 2024 or as soon as the last SendOutCards only consultant has become a Promptings consultant or terminated their agreement.

## **SECTION 4 - OPERATING A PROMPTINGS BUSINESS**

### **4.1 - Adherence to the Promptings Marketing and Compensation Plan**

Consultant must adhere to the terms of the Promptings Marketing and Compensation Plan as set forth in official Promptings literature. Consultants shall not offer the Promptings opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Promptings literature. Consultants shall not require or encourage other current or prospective Customers or Consultants to participate in Promptings in any manner that varies from the program as set forth in official Promptings literature. Consultants shall not require or encourage other current or prospective Customers or Consultants to execute any agreement or contract other than official Promptings agreements and contracts in order to become a



Promptings Consultant. Similarly, Consultants shall not require or encourage other current or prospective Customers or Consultants to make any purchase from, or payment to, any individual or other entity to participate in the Promptings Marketing and Compensation Plan other than those purchases or payments identified as recommended or required in official Promptings literature. This includes, but is not limited to, incentives and promotional offers not sanctioned in writing by Promptings.

## **4.2 - Advertising**

### **4.2.1 - General**

All Consultants must and shall safeguard and promote the good reputation of Promptings and its products. The marketing and promotion of Promptings, the Promptings opportunity, the Marketing and Compensation Plan, and Promptings products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct, claims or practices. If a Consultant wishes to utilize any of the Company's products or services to promote the sale of the Company's products or services, or to promote the Promptings business model, the Consultant must utilize one of the marketing and advertising text messages approved by the Company. If a Consultant wishes to create their own advertising material, he or she must submit all written sales aids, promotional materials, advertisements, and other literature (including proposed internet advertising) to the Company for approval. Unless the Consultant receives specific written approval, with a valid approval number, to use the material, the request shall be deemed denied. Approval is automatically discontinued if there is any alteration of any kind to an approved item.

### **4.2.2 – Promptings Logos, Imagery and Text**

Consultants may use the Promptings Independent Consultant logos available for download at the Company's official website for approved advertising and promotional services. Promptings slogans, imagery, text on publicly viewable and back end or logged in pages, promotional materials, brochures, signs and other documentation are not permissible to be used by Consultants without written approval from the company. Approval may be discontinued at any time by the company. Approval is automatically discontinued if there is any alteration of any kind to an approved item.

### **4.2.3 - Consultant Web Sites**

Consultants may not utilize, in any fashion, any self-published or purchased web site for the sale, marketing, and promotion of Promptings. If a Consultant desires to utilize an Internet web page to promote his or her business, he or she may do so through the Company's official web sites, using official Promptings replicated sites only. Promptings has produced promotional websites that will be offered, as part of certain Consultant kits, and renewal fees, to any authorized Consultant of Promptings. Said websites will be the only websites that can be utilized by a Promptings Consultant. A list of available replicated web sites and tools may be found in official Promptings literature or on the company's web site.

Web sites produced for recognition and training of Consultants ("Training" sites) may be authorized under the following guidelines. Training websites must be approved by Promptings, which approval shall be granted in its sole discretion, and meet the following minimum criteria:

- 1) You must be a Star 5 ranked Consultant or above and have served on an Eagles Nest to submit a training website to Promptings for approval;
- 2) Your site must be passcode protected and available to any Promptings Consultant that desires to use it; and
- 3) You cannot charge a fee for access to your training site.

Promptings prefers that all training be conducted through official and approved programs. Our philosophy is to bring successful Consultants together with a common cause to help others find success.

### **4.2.4 - Domain Names**

Consultants may not use or attempt to register any of Promptings' trade names, trademarks, service names,

service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name. For example, sallysendoutcards.com, SOC.com, greenerstillinc.com etc. Registered domain names that violate this policy must be released to Promptings Corporate.

If a Consultant wishes to utilize a domain name which contains or implies one of the above, they may make a request using the form provided on the Company's web site.

This policy further applies to any purchased Ad Words for search engine placement or sponsored links on any web site. This policy also applies to meta tags and / or non-purchased search engine optimization.

#### **4.2.5 - Trademarks and Copyrights**

Promptings will not allow the use of its trade names, trademarks, designs, or symbols by any person, including Promptings Consultants, without its prior, written permission. Consultants may not produce for sale or distribution any recorded Company events and speeches without written permission from Promptings nor may Consultants reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.

#### **4.2.6 - Media and Media Inquiries**

Consultants must not attempt to respond to media inquiries regarding Promptings, its products or services, or their Consultant agreement with Promptings. All inquiries by any type of media must be immediately referred to Promptings Marketing Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image. Any television, radio, or other media appearances must be approved and conducted through Promptings' Marketing Department utilizing the approval process outlined in section 4.2.1 above.

#### **4.2.7 - Spamming and Unsolicited Faxes**

Except as provided in this section, Consultants may not use or transmit unsolicited faxes, text messages, mass email distribution, unsolicited email, or "spamming" or use an automatic telephone dialing system relative to the operation of their Consultant agreement. 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. The terms "unsolicited faxes" and "unsolicited email" mean the transmission via telephone facsimile or electronic mail, respectively, of any material or information advertising or promoting Promptings, its products, its compensation plan or any other aspect of the company which is transmitted to any person.

Promptings has a zero tolerance policy in regards to sending unsolicited (email/fax/text/pages/news) messages. The sending of unsolicited messages will result in the IMMEDIATE suspension of your Promptings Consultant agreement and account, and possibly legal action. If the Consultant cannot prove opt-in then the Consultant agreement will be terminated. If a Consultant agreement is terminated for this reason no refunds or credits will be given, and in accordance with the above policy fees will be applied to the credit card on file. Messages sent by a Promptings Consultant requires adherence to all of the following policies:

1) The sender of bulk email must use, at a minimum, a double opt-in method to confirm recipients indeed want to receive bulk email from you. Claiming the recipients have an existing relationship with you, or a "partner," is not acceptable. By "double opt-in" we mean:

An individual must first ask to be added to your list. Upon receiving the request, you must immediately email them back and ask them to confirm their subscription by replying to the email and indicating their willingness to receive additional messages. This confirmation must use an email address authentication scheme that prevents recipients from being signed up for lists by anyone other than themselves. If bulk email is sent without this confirmation from the recipient, the sender is considered to be in violation of Promptings' policy.

- 2) The sender of bulk email must be able to prove that the recipient contacted the sender to request that such messages be received in advance of the bulk mailing. You cannot include email addresses that were acquired from "partners."
- 3) Promptings requires Consultants who send bulk email to maintain a database that contains the following information about the recipient list:
  - \*Date and time of the recipient's request to be added to your list
  - \*IP address that the customer made the request from, (if applicable)
- 4) Upon request, the sender of bulk email must be able to provide both Promptings and the recipient with the above information within one business day.
- 5) Unsubscribe information should be available at the bottom (or top) of each message that is sent out. The sender of the list must act upon all unsubscribe requests within one business day. All unsubscribe requests must also be processed before additional mailings are sent out.

#### **4.2.8 Use of Social Media**

**Social Media Definition** – Any type of online media that invites, expedites or permits conversation, comment, rating, and/or user generated content, as opposed to traditional media, which delivers content but does not allow readers/viewers/listeners to participate in the creation or development of content, or the comment or response to content. Examples of Social Media include, but are not limited to, blogs, Facebook, Instagram, Twitter, LinkedIn, and YouTube.

#### **Social Media Use**

Social Media may be used by Consultants. However, Consultants who elect to use Social Media must adhere to the requirements set forth in this subsection as well as Promptings policies relating to Advertising and Unauthorized Claims.

#### **Consultants Are Responsible for Postings**

Consultants are personally responsible for their postings and all other online activity that relates to Promptings. Therefore, even if a Consultant does not own or operate a blog or Social Media site, if a Consultant posts to any such site that relates to Promptings or which can be traced to Promptings, the Consultant is responsible for the posting. Consultants are also responsible for postings which occur on any blog or Social Media site that the Consultant owns, operates, or controls.

#### **Identification as an Independent Promptings Consultant**

You must disclose your full name on all Social Media postings, and conspicuously identify yourself as an Independent Consultant for Promptings. Anonymous postings or use of an alias is prohibited. (For example, Sally Johnson Promptings Independent Consultant)

#### **Social Media as a Sales and Promotion Forum**

Social Media sites are relationship-building sites. While building relationships is an important part of the sales process, Social Media sites may not be used as a direct medium for generating sales or explaining the Promptings income opportunity. Online sales may only be generated from a Consultant's Promptings replicated web site. Likewise, Consultants shall not use any Social Media site to explain the Promptings compensation plan or any component of the compensation plan.

#### **Posting Links to Replicated Web Sites**

Consultants may post links to their replicated web site within the defined area designated by the Social Media site for a personal web site address. Consultants may also post a link to their replicated web site within a post as long as the post has been pre-approved and/or is listed on Promptings web site or in Promptings marketing

materials as an approved Social Media Advertisement. Consultants may also submit their own text for approval prior to posting to a Social Media site.

### **Use of Promptings Logo**

Consultants may use the Promptings Independent Consultant logo (or the logo of any streams) in their postings as long as they are using an approved message. Consultants may also use the Promptings Independent Consultant logo as one of their images or in an image that represents their account (i.e. an avatar) as long as it conforms to the policies and procedures and is approved as an advertisement.

### **Deceptive Postings**

Postings that are false, misleading, or deceptive are prohibited. This includes, but is not limited to, false or deceptive postings relating to the Promptings income opportunity, Promptings' products and services, and/or your biographical information and credentials. Promptings reserves the right to require any Consultant remove, recall or retract any posting and further require an additional affirmative posting that the content required to be removed was incorrect.

### **Use of Third-Party Intellectual Property**

If you use the trademarks, trade names, service marks, copyrights, or intellectual property of any third-party in any posting, it is your responsibility to ensure that you have received the proper license to use such intellectual property, and paid the appropriate license fee. All third-party intellectual property must be properly referenced as the property of the third-party, and you must adhere to any restrictions and conditions that the owner of the intellectual property places on the use of its property.

### **Respecting Privacy**

Always respect the privacy of others in your postings. Consultants must not engage in gossip or advance rumors about any individual, company, or competitive products or services. Consultants may not list the names of other individuals or entities on their postings unless they have the written permission of the individual or entity that is the subject of their posting.

### **Professionalism**

You must ensure that your postings are truthful and accurate. This requires that you fact-check all material you post online. You should also carefully check your postings for spelling, punctuation, and grammatical errors. Use of offensive language is prohibited.

### **Prohibited Postings**

Consultants may not make any posting, or link to any postings or other material that:

- Is sexually explicit, obscene, or pornographic;
- Is offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, gender, sexual orientation, physical disability, or otherwise);
- Is graphically violent, including any violent video game images;
- Is solicitous of any unlawful behavior;
- Is are negative or demeaning to Promptings or the Promptings brand;
- Promote companies that are in direct competition with Promptings;
- Engages in personal attacks on any individual, group, or entity;
- Is in violation of any intellectual property rights of the Company or any third party.

### **Responding to Negative Posts**

Do not converse with one who places a negative post against you, other independent Consultants, or Promptings. Report negative posts to the Company at [compliance@promptings.com](mailto:compliance@promptings.com). Responding to such

negative posts often simply fuels a discussion with someone carrying a grudge that does not hold themselves to the same high standards as Promptings, and therefore damages the reputation and good will of Promptings.

### **Cancellation of Your Promptings Business**

If your Consultant agreement is canceled for any reason, you must discontinue using the Promptings name, and all of Promptings 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 Promptings Consultant, you must conspicuously disclose that you are no longer an Independent Promptings Consultant.

### **4.3 - Bonus Buying Prohibited**

Bonus buying is strictly and absolutely prohibited. “Bonus buying” includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent Consultant Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a Consultant or customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Consultants or customers (“phantoms”); (d) the use of a credit card by or on behalf of a Consultant or customer when the Consultant or customer is not the account holder of such credit card; (e) Purchasing Promptings merchandise or services on behalf of another Consultant or customer, or under another Consultant’s or customer’s ID number, to qualify for commissions or bonuses; (f) Enrollment of a customer in order to receive the bonuses with the intent of converting the customer to a Consultant after the bonus has been paid.

### **4.4 - Business Entities**

A corporation, partnership or trust (collectively referred to in this section as a “Business Entity”) may apply to be a Promptings Consultant by submitting its Certificate of Incorporation, Partnership Agreement or trust documents (these documents are collectively referred to as the “Entity Documents”) to Promptings, along with a properly completed Business Entity Registration form. A Consultant may change its status under the same sponsor from an individual to a partnership, corporation or trust, or from one type of entity to another. There is a \$25 fee for each change requested, which must be included with the written request and the completed Consultant Application and Agreement. The Business Entity Registration form must be signed by all of the shareholders, partners or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to Promptings.

### **4.5 - Changes to a Promptings Business**

#### **4.5.1 - General**

Each Consultant must immediately notify Promptings of all changes to the information contained on his or her Consultant Application and Agreement. Consultants may modify their existing Consultant Agreement (i.e., change Social Security number to Federal ID number, or change the form of ownership from an individual proprietorship to a business entity owned by the Consultant) by submitting a written request, a properly executed Consultant Application and Agreement, and appropriate supporting documentation.

#### **4.5.2 - Addition of Co-Applicants**

When adding a co-applicant (either an individual or a business entity) to an existing Consultant agreement, the Company requires both a written request as well as a properly completed Consultant Application and Agreement containing the applicant and co-applicant’s Social Security numbers and signatures. To prevent the circumvention of section 4.26 (regarding transfers and assignments of Consultant agreement), the original applicant must remain as a party to the original Consultant Application and Agreement. If the original Consultant wants to terminate his or her relationship with the Company, he or she must transfer or assign his or her business in accordance with section 4.26. If this process is not followed, the business shall be canceled upon the withdrawal of the original Consultants. All bonus and commission checks will be sent to the address of record of the original Consultant. Please note that the modifications permitted within the scope of this paragraph *do not* include a change of sponsorship. Changes of sponsorship are addressed in section 4.5.3, below. Promptings may, at its discretion, require notarized documents before implementing any changes to a

Consultant agreement. Please allow thirty (30) days after the receipt of the request by Promptings for processing.

#### **4.5.3 - Change of Sponsor**

A Consultant may legitimately change organizations by voluntarily canceling his or her Consultant agreement and remaining inactive (*i.e.*, no purchases of Promptings products for resale, no sales of Promptings products, no sponsoring, no attendance at any Promptings functions, participation in any other form of Consultant activity, or operation of any other Consultant agreement) for six (6) full calendar months. Following the six-month period of inactivity, the former Consultant may reapply under a new sponsor.

#### **4.5.4 – Consultant and Customer Move Requests**

A Consultant or customer may be moved from one sponsor to another sponsor within 10 days of enrollment only if an error was made during the initial enrollment process and incorrect information was entered. After the 10 days, Consultants must follow section 4.5.3 - Change of Sponsor. If a customer has a complaint about their sponsor they need to submit the details of their complaint to [compliance@promptings.com](mailto:compliance@promptings.com). If the customer desires to change sponsors, they must include the request and a reason for the request in the complaint. The complaint will be investigated and a final non-negotiable decision will be reached by Promptings.

#### **4.5.5 – Sponsor Oversight and Complaint Process**

Any customer or Consultant that has a valid complaint about their sponsor will need to send a detailed email of their complaint to [compliance@promptings.com](mailto:compliance@promptings.com). The compliance department will create a case file and investigate the complaint. Promptings will determine the actions that need to be taken to correct any issues that arise from a complaint. By way of reminder, Consultants are responsible to train and educate their downline as outlined in section 5.2.1 - Ongoing Training and section 5.2.2 - Increased Training Responsibilities. If Promptings determines a course of action that needs to be taken and the offending Consultant refuses to comply with the course of action, Promptings may use any of the disciplinary sanctions outlined in section 9.1 - Disciplinary Sanctions, up to and including termination of the Consultant.

### **4.6 - Unauthorized Claims and Actions**

#### **4.6.1 - Indemnification**

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

#### **4.6.2 - Income Claims**

In their enthusiasm to enroll prospective Consultants, some Consultants are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is not only contrary to most federal and state statutes, it is contrary to Promptings policy and procedures and is counterproductive because new Consultants may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At Promptings, we firmly believe that the Promptings income potential is great enough to be highly attractive, without reporting the earnings of others.

Moreover, as stated above, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While Consultants may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact Promptings as well as the Consultant making the claim unless appropriate disclosures required by law are also made

contemporaneously with the income claim or earnings representation. Because Promptings Consultants do not have the data necessary to comply with the legal requirements for making income claims, a Consultant, when presenting or discussing the Promptings opportunity or Marketing and Compensation Plan to a prospective Consultant, may not make income projections, income claims, or disclose his or her Promptings income (including the showing of checks, copies of checks, bank statements, or tax records).

#### **4.6.3 – Product Claims**

Promptings offers certain products that may promote health and wellbeing. Consultants must not make any health or wellness claims for any of Promptings product or product streams. Any health or wellness claims made by a Consultant subject that Consultant to disciplinary sanctions as outlined in section 9.1 below.

#### **4.7 - Commercial Outlets**

Promptings strongly encourages the retailing and selling of its products and services through person to person contact. In an effort to reinforce this method of marketing and to help provide a standard of fairness for its Consultant base, Consultants may not display or sell Promptings products, services, or literature in a permanent retail or service establishment. A “permanent” retail or service establishment is any sales or promotion outlet that remains in the same location for three or more weeks. A mobile mall cart is not a fixed location. Any retailing through such outlets may only be done by a Consultant of Promptings and may not be delegated to an Employee.

#### **4.8 - Trade Shows, Expositions and Other Sales Forums**

Consultants may display and/or sell Promptings products at trade shows and professional expositions. Before submitting a deposit to the event promoter, Consultants are encouraged to verify that no other Promptings Consultant will be present at the event. Promptings recommends that there should be only one Consultant present per event. Any Consultant registering to attend an event is requested to email the event information to Customer Support. A list of Consultants attending events will be kept by Promptings for reference purposes. Trade shows, expositions and other sales forums are not permitted outside the United States.

#### **4.9 - Conflicts of Interest**

##### **4.9.1 - Non-solicitation**

If a Consultant did not personally sponsor another Consultant in his or her downline, he or she is prohibited, during the term of the Agreement and for one (1) year following the date of termination of the Agreement, from recruiting, attempting to recruit, or prospecting any Promptings Consultant or customer to sell or purchase products or services other than those offered by Promptings. Each Consultant stipulates and agrees that recruiting constitutes an unreasonable and unwarranted interference with the contractual relationship between the Company and its Consultants, conversion of the Company’s property, and misappropriation of the Company’s trade secrets. Each Consultant further stipulates and agrees that any violation of this rule will inflict immediate and irreparable harm on the Company, and that the Company shall be entitled, in addition to any other remedies that may be available, to immediate, temporary, preliminary, and permanent injunctive relief without bond; and that such injunctive relief may extend the post-termination period of this restriction for up to one (1) year from the date of the last violation of this provision and is limited to the geographic areas in which you conducted or solicited business under the Agreement. The provisions of this section survive the termination of the Agreement. Nothing herein waives any other rights and remedies the Company may have in relation to the use of its Confidential Information or any other violations of the Contract.

Notwithstanding anything to the contrary contained herein, in the event a Consultants transfers or otherwise conveys his or her Consultant agreement to an individual who shares ties of blood, marriage, or adoption, or anyone who has consented to an arrangement similar to ties of blood or marriage, or to an entity owned by any of the same, the conveying Consultant shall be subject to provisions of this section 4.9.1 for a period of three (3) years from the date of such conveyance.

Each Consultant agrees that appearing in, being referenced in, or allowing the Consultant's name or likeness to be featured or referenced in any promotional, recruiting or solicitation materials for another direct selling company constitutes recruiting.

Any promotion of, or recruiting to, any competing products or services by a Consultant is cause for termination. This includes becoming a representative of the company and its products or allowing others to use your name or reputation to recruit to the competing company. The Consultant's account will immediately be suspended under section 9.1 Disciplinary Sanctions. In addition to suspension, termination procedures will also be started under the same section.

#### **4.9.2 - Confidentiality**

Downline Reports are available for Consultant access and viewing at Promptings' official web site. Consultant access to their downline activity reports is password protected. **All Downline Reports and the information contained therein are herein referred to as "Confidential Information" and constitute proprietary information and business trade secrets belonging to Promptings.**

Upon signing a Consultant Agreement and the Agreement, the Consultant agrees to maintain confidentiality regarding Confidential Information and any other trade secrets and proprietary information. This confidentiality obligation is irrevocable and permanent, remains after termination of the Agreement, and is subject to legal enforcement by injunction and award of costs and fees necessarily incurred. All Confidential Information is transmitted to, or allowed to be gathered by, Consultants in strictest confidence on a need-to-know basis for use solely for the Consultant's Consultant agreement. Consultants must use their best efforts to keep such information confidential and must not disclose any such information to any third party, directly or indirectly.

Downline Reports are provided to Consultants in strictest confidence and are made available to Consultants for the sole purpose of assisting Consultants in working with their respective downline organizations in the development of their Consultant agreement. Consultants should use their Downline Reports to assist, motivate, and train their downline Consultants. The Consultant and Promptings agree that, but for this agreement of confidentiality and nondisclosure, Promptings would not provide Downline Reports to the Consultant. Consultants must not use the Confidential Information or any information derived therefrom to compete with the Company or for any purpose other than for promoting the Company's program and its products and services. The Consultant maintains no ownership interest in any Confidential Information or any information derived therefrom, including contact and profile information of downline leg, or other Consultant contact information gathered in connection with the Consultant's Consultant agreement, and may not sell, disseminate, or provide it to any other party. The Consultant acknowledges and agrees that the Confidential Information received by the Consultant relating to the profiles and reports of downline leg or other Consultant Information gathered in connection with the Consultant business, including any information derived therefrom, constitutes the Company's trade secrets.

The Consultant may acquire Confidential Information during the term hereof, for example, from the sale of Consultant tools or merchandise to the Company's Consultants, including those who are crossline to the Consultant. Accordingly, regardless of the source of the Confidential Information, the Consultant, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity, agrees:

**4.9.2.1** - the Confidential Information is for the exclusive and limited use of the Consultant to facilitate the training, support and servicing of the Consultant's downline organization for furtherance of the Consultant's Consultant agreement only;

**4.9.2.2** - to not disclose the Confidential Information to a third party directly or indirectly (including other Consultants) and that doing so constitutes misuse, misappropriation, and a violation of the Agreement;

**4.9.2.3** - the information is of such character as to render it unique and that disclosure of it will cause irreparable damage to the Company; the Company is therefore entitled to immediate, temporary,



preliminary, and permanent injunctive relief, in addition to all other remedies available in law or equity, to prevent or compensate for any violation of this policy;

**4.9.2.4** – to not recruit or solicit any Consultant or Customer of Promptings listed on any report, or in any manner attempt to influence or induce any Consultant or preferred customer of Promptings, to alter their business relationship with Promptings;

**4.9.2.5** - to not use the information to compete with the Company directly or indirectly and improper use will result in termination of the Agreement;

**4.9.2.6** - may be required to sign a non-disclosure agreement before receiving Confidential Information from the Company, or prior to engaging in activities that would allow the Consultant to acquire Confidential Information; and

**4.9.2.7** - upon expiration, non-renewal or termination of the Agreement, to discontinue the use of such Confidential Information and destroy or promptly return to the Company all Confidential Information under the control of or in his or her possession.

### **4.9.3 – Detrimental Conduct**

If any conduct by a Consultant or any participant in the Consultant agreement is determined by the Company to be injurious, disruptive, or harmful to the Company or to other Consultants, the Company may take appropriate action against a Consultant and the Consultant agreement as set forth in section 9.

### **4.10 - Cross-Sponsoring**

Actual or attempted cross sponsoring is strictly prohibited. “Cross sponsoring” is defined as the enrollment of an individual who or entity that already has a current Customer or Consultant Agreement on file with Promptings, or who has had such an agreement within the preceding six calendar months, within a different line of sponsorship. The use of a spouse’s or relative’s name, trade names, DBAs, assumed names, corporations, partnerships, trusts, Federal ID numbers, or fictitious ID numbers to circumvent this policy is prohibited. Consultants shall not demean, discredit or defame other Promptings Consultants in an attempt to entice another Consultant to become part of the first Consultant’s marketing organization. This policy shall not prohibit the transfer of a Consultant agreement in accordance with section 4.25.

### **4.11 - Errors or Questions**

If a Consultant has questions about or believes any errors have been made regarding commissions, bonuses, downline activity reports, or charges, the Consultant must notify Promptings in writing within 60 days of the date of the purported error or incident in question. Promptings will not be responsible for any errors, omissions or problems not reported to the Company within 60 days. Further any claims for errors beyond the 60-day limitation are specifically waived.

### **4.12 - Excess Inventory Purchases Prohibited**

Consultants are not required to carry inventory of products or sales aids. To ensure that Consultants are not encumbered with excess inventory that they are unable to sell, such inventory may be returned to Promptings upon the Consultant’s cancellation pursuant to the terms of Section 8.2.

Promptings strictly prohibits the purchase of products in unreasonable amounts primarily for the purpose of qualifying for commissions, bonuses or advancement in the Marketing and Compensation Plan. Consultants may not purchase more inventory than they can reasonably resell or consume in a month nor may they encourage others to do so. Consultants, who wish to purchase larger than normal quantities of a product must contact Promptings prior to the purchase and provide a valid reason for the purchase. They must certify to Promptings in writing their reason why such a purchase is necessary and the purchase must be approved prior to the purchase.

### **4.13 - Governmental Approval or Endorsement**

Neither federal nor state regulatory agencies or officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Consultants shall not represent or imply that Promptings or its

Marketing and Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

#### **4.15 - Identification**

All Consultants are required to provide their Social Security Number, or a Federal Tax Identification Number to Promptings on a US W-9 form. The Consultant is not eligible to earn commissions until the form is provided. Upon enrollment, the Company will provide a unique Consultant identification number to the Consultant by which he or she will be identified. This number will be used to place orders, and track commissions and bonuses.

#### **4.16 - Income Taxes**

Each Consultant is responsible for paying local, state, and federal taxes on any income generated as an Independent Consultant. If a Consultant agreement is tax exempt, the Federal Tax Identification Number must be provided to Promptings. Every year, Promptings will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000.

#### **4.17 - Independent Contractor Status**

Consultants are independent contractors and are not purchasers of a franchise or a business opportunity. The agreement between Promptings and its Consultants does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Consultant. **The Consultant will not be treated as an employee for Federal or State tax purposes.** The Consultant has no authority (expressed or implied), to bind the Company to any obligation. Each Consultant shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Consultant Agreement, these Policies and Procedures, and applicable laws.

The name of Promptings and other names as may be adopted by Promptings are proprietary trade names, trademarks and service marks of Promptings. As such, these marks are of great value to Promptings and are supplied to Consultants for their use only in an expressly authorized manner. Use of Promptings name on any item not produced by the Company is prohibited except as follows:

Consultant's Name  
Independent Promptings Consultant

All Consultants may list themselves as an "Independent Promptings Consultant" in the white or yellow pages of the telephone directory, print or electronic, under their own name. No Consultant may place telephone directory display ads using Promptings' name or logo. Consultants may not answer the telephone by saying "Promptings", "Promptings Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Promptings or any of its streams.

#### **4.19 - International Marketing**

Because of critical legal and tax considerations, Promptings must limit the resale of Promptings products and services, and the presentation of the Promptings business model to prospective customers and Consultants located within the United States, U.S. territories, and countries listed as open for business by the Company. Moreover, allowing a few Consultants to conduct business in markets not yet opened by Promptings would violate the concept of affording every Consultant the equal opportunity to expand internationally.

Accordingly, Consultants are authorized to sell Promptings products and services, and enroll customers or Consultants only in the countries in which Promptings is authorized to conduct business, as announced in official Company literature. Promptings products or sales aids cannot be shipped into or sold in any foreign country. Consultants may sell, give, transfer, or distribute Promptings products or sales aids only in an open country. In addition, no Consultant may, in any unauthorized country: (a) conduct sales, enrollment or training

meetings; (b) enroll or attempt to enroll potential customers or Consultants; or (c) conduct any other activity for the purpose of selling Promptings products, establishing a marketing organization, or promoting the Promptings opportunity.

## **4.20 - Adherence to Laws and Ordinances**

### **4.20.1 - Local Ordinances**

Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Consultants because of the nature of their business. However, Consultants must obey those laws that do apply to them. If a city or county official tells a Consultant that an ordinance applies to him or her, the Consultant shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of Promptings. In most cases there are exceptions to the ordinance that may apply to Promptings Consultants.

### **4.20.2 - Compliance with Federal, State, Local Laws**

Consultants shall comply with all federal, state, and local laws and regulations in the conduct of their businesses.

## **4.21 - Multiple Promptings Business Interests**

Consultants may have only one Consultant agreement registered in his or her name (designated the “Primary Business”). However, if a Consultant also owns or operates another business, the primary purpose of which is to provide non-Promptings goods or services to customers or clients (*e.g.*, professional services such as physicians, accountants, a restaurant, etc.), the Consultant’s non-Promptings business may also own a Consultant agreement (designated the “Secondary Business”) so long as the following criteria are satisfied:

- 4.21.1** The Secondary Business must be enrolled and sponsored by the Primary Business and placed on the immediate front line of the Primary Business;
- 4.21.2** The non-Promptings business must be owned or operated by the Consultant who owns the Primary Business or an immediate household family member of the Primary Business owner;
- 4.21.3** Promptings reserves the right to cancel the Consultant Agreement of any Secondary Business which does not have the principal purpose of providing non-Promptings goods or services to customers or clients;
- 4.21.4** The non-Promptings business must have:
  - 4.21.4.1** its own Federal Tax Identification Number and use that TIN on its Promptings Application and Agreement;
  - 4.21.4.2** an address that is separate from the Primary Business address;
  - 4.21.4.3** Payment must be via a credit card registered to the non-Promptings business;
- 4.21.5** Under no circumstances may a Consultant operate or hold an interest in more than two businesses (the Primary and Secondary Businesses). There may be no more than two Promptings businesses per immediate household. An “immediate household” includes spouses, cohabitating couples, children and relatives residing in the same dwelling. Also included in the immediate household are students attending boarding school or college that reside at school or college during the school year, but within the dwelling of their parents or other relatives during non-school periods. Persons such as roommates and tenants who are unrelated shall not fall within the definition of an “immediate household” and may each have their own Promptings independent business. If a Consultant owns or operates Primary and Secondary Businesses, those two businesses constitute the maximum number of businesses that may be held within the household, even though the Secondary Business operates from a separate address from the Primary Business.
- 4.21.6** If either the Primary or Secondary Business violates the Policies and Procedures or its Consultant Agreement, Promptings may take disciplinary action against both the Primary and Secondary Businesses.

Any exception to this rule will be considered on a case-by-case basis and must be presented in writing prior to executing a Consultant application and agreement. Requests for exceptions to the policy must be submitted in writing to the Compliance department.

#### **4.22 - Actions of Household Members or Consultant Individuals**

If any member of a Consultant's immediate household engages in any activity, which, if performed by the Consultant, would violate any provision of the Agreement, such activity will be deemed a violation by the Consultant and Promptings may take disciplinary action pursuant to the Statement of Policies against the Consultant. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "Consultant individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and Promptings may take disciplinary action against the entity.

#### **4.23 - Re-packaging and Re-labeling Prohibited**

Consultants may not repackage, relabel, or alter the labels on any Promptings products, information, materials or programs in any way. Promptings products must be sold in their original format only.

#### **4.24 - Roll-up of Marketing Organization**

Roll-ups will occur in Promptings only when a Consultant is terminated or completely cancels their account, not just the termination of their Consultant agreement. Any Consultant who cancels their Consultant Agreement only will become Promptings customers.

#### **4.25 - Sale, Transfer or Assignment of Promptings Business**

Although a Consultant agreement is a privately owned, independently operated business, the sale, transfer or assignment of a Consultant account is subject to certain limitations. If a Consultant wishes to sell his or her Consultant account, the following criteria must be met:

- 4.25.1** - The buyer or transferee must become a Promptings Consultant. If the buyer is an active Promptings Consultant, he or she must first terminate his or her Consultant agreement and wait six calendar months before buying the next business.
- 4.25.2** - Before the sale, transfer or assignment can be finalized and approved by Promptings, any debt obligations the selling Consultant has with Promptings must be satisfied.
- 4.25.3** - The selling Consultant must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a Consultant agreement.

Prior to selling a Consultant account, the selling Consultant must notify Promptings Compliance Department of his or her intent to sell the Consultant account. All sales of a Promptings Consultant account must be approved by Promptings before any sale can be completed. No changes in line of sponsorship can result from the sale or transfer of a Consultant account. A Consultant may not sell, transfer or assign individual downlink legs; if a business is sold, transferred or assigned, all legs must be included in the transaction. A filled out and signed Consultant application and agreement by the acquiring party must be submitted with a non-refundable fee of \$25.

#### **4.26 - Separation of a Promptings Business**

Promptings Consultants sometimes operate their Consultant account as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership or trust (the latter three entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other Consultants and the Company, Promptings will involuntarily terminate the Consultant Agreement pursuant to Section 4.25.

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

- 4.26.1** - One of the parties may, with consent of the other(s), operate the Consultant account pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees

authorize Promptings to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.

- 4.26.2** - The parties may continue to operate the Consultant account jointly on a “business-as-usual” basis, whereupon all compensation paid by Promptings will be paid according to the status quo. This is the default policy if the Company is not properly notified of the Consultants’ desire to follow the preceding approach.

Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Promptings split commissions and bonuses between divorcing spouses or members of dissolving entities. Promptings will recognize only one downline organization and will issue only one commission payment per Consultant account per commission cycle. Commissions 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 Consultant Agreement shall be involuntarily canceled.

If a former spouse or a former entity Consultant has completely relinquished all rights in their original Consultant account, they are thereafter free to enroll under any sponsor of their choosing. Entity Consultants must meet the waiting period requirements set forth in section 4.5.3, whereas in divorce cases, the spouse that did not receive the business may immediately enroll upon the entry of a final divorce decree. In such case, however, the former spouse or partner shall have no rights to any Consultants 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 Consultant.

#### **4.27 - Sponsoring**

All active Consultants in good standing have the right to sponsor and enroll others into Promptings. Each prospective customer or Consultant has the ultimate right to choose his or her own sponsor. If two Consultants claim to be the sponsor of the same new Consultant or customer, the Company shall regard the first application received by the Company as controlling.

#### **4.28 - Stacking**

“Stacking” is strictly prohibited. The term “stacking” includes: (a) providing financial assistance to new Consultants for the purpose of maximizing compensation pursuant to Promptings Marketing and Compensation Plan; (b) violating section 4.21 above; and/or (c) placing a new Consultant in any downline organization with the intent of manipulating the compensation plan in a manner not intended.

#### **4.29 - Succession**

Upon the death or incapacitation of a Consultant, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a Consultant should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a Consultant account is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Consultant’s marketing organization provided the following qualifications are met. The successor(s) must:

- 4.29.1** - Execute a Consultant Agreement;
- 4.29.2** - Comply with terms and provisions of the Agreement; and
- 4.29.3** - Meet all of the qualifications for the deceased Consultant’s status.
- 4.29.4** - Bonus and commission payments of a Consultant account transferred pursuant to this section will be paid in a single payment jointly to the devisees. The devisees must provide Promptings with an “address of record” to which all bonus and commission payments will be sent;
- 4.29.5** - If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Tax Identification Number. Promptings will issue all bonus and commission payments and one 1099 to the business entity.

#### **4.30 - Transfer Upon Death of a Consultant**

To affect a testamentary transfer of a Consultant account, the successor must provide the following to Promptings: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor's right to the Consultant account; and (3) a completed and executed Consultant Agreement.

#### **4.31 - Transfer Upon Incapacitation of a Consultant**

To affect a transfer of a Consultant account because of incapacity, the successor must provide the following to Promptings: (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 Consultant account; and (3) a completed Consultant Agreement executed by the trustee.

#### **4.32 – Prohibited Material Handling**

Prohibited Use of Promptings Products and Technology - Any material submitted by or intended to be included with any of Promptings product or technology, or an associated web site, may be canceled, deleted and/or destroyed at Promptings discretion. Prohibited materials include but are not limited to:

1. Profanity, or harassment;
2. Hate or racist propaganda;
3. Illegal activity under any law;
4. Nudity or pornographic material or material deemed so by Promptings in its sole discretion;
5. Material that violates or infringes on third party rights;
6. Negative statements or disparaging comments about others including without limitation Promptings and or any Consultants.
7. Copyrighted material not owned by the individual uploading or using the material; and
8. Any material which Promptings deems inappropriate, at its sole discretion.

Violation of these terms may result in the material being deleted, canceled and/or destroyed at Promptings discretion. No refunds or re-numeration will be given. Repeated violations may result in cancellation of the users Promptings, or other, account.

### **SECTION 5 - RESPONSIBILITIES OF CONSULTANTS**

#### **5.1 - Change of Address, Telephone, or Email**

To ensure timely delivery of products, support materials, information, and commission payments, it is critically important that the Promptings' files are current. Consultants planning to move should send their new address, telephone numbers, and email address to Promptings' Corporate Offices to the attention of the Consultant Services Department. To guarantee proper delivery, two weeks advance notice must be provided to Promptings on all changes.

#### **5.2 - Continuing Development Obligations**

##### **5.2.1 - Ongoing Training**

Any Consultant who sponsors another Consultant into Promptings must perform a bona fide assistance and training function to ensure that his or her downline is properly operating his or her Consultant account. Consultants must have ongoing contact and communication with the Consultants in their downline organizations. Examples of such contact and communication may include, but are not limited to: newsletters, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline Consultants to Promptings meetings, training sessions, and other functions. Upline Consultants are also responsible to motivate and train new Consultants in Promptings product knowledge, effective sales techniques, the Promptings Marketing and Compensation Plan, and compliance with Company Policies and Procedures. Communication with and the training of downline Consultants must not, however, violate Section 4.2 (regarding the development of Consultant-produced sales aids and promotional materials).

Consultants must monitor the Consultants in their downline organizations to ensure that downline Consultants do not make improper product or business claims, or engage in any illegal or inappropriate conduct.

### **5.2.2 - Increased Training Responsibilities**

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

### **5.2.3 – Email Broadcasting Options**

Promptings, as part of the Business Office system, as a company and individual Consultants may send email broadcasts to their downline. A Consultant may opt out of receiving email broadcasts from the company, their upline, or both at the time of signup, when receiving broadcast emails, or by contacting Customer Support. Email broadcasts are a good way of staying in contact and current on company information. Consultants and customers may not opt out of vital communications, such as invoices, receipts, and critical messages.

### **5.3 – Non-disparagement**

Promptings wants to provide its independent Consultants with the best products, compensation plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to the Marketing Department or Compliance Department. Remember, to best serve you, we must hear from you! While Promptings welcomes constructive input, negative comments and remarks made in the field by Consultants about the Company, its products, or compensation plan serve no purpose other than to sour the enthusiasm of other Promptings Consultants. For this reason, and to set the proper example for their downline, Consultants must not disparage, demean, or make negative remarks about Promptings, other Promptings Consultants, Promptings' products, the Marketing and Compensation plan, or Promptings' directors, officers, or employees.

## **SECTION 6 - SALES REQUIREMENTS**

### **6.1 - Product Sales**

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

### **6.2 - No Territory Restrictions**

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

### **6.3 - Order Forms**

All Consultants must provide their retail customers with two copies of an official Promptings order form at the time of the sale. This is the customer's receipt. Consultants must maintain all order forms for a period of two years and furnish them to Promptings at the Company's request. Promptings will maintain records documenting the purchases of Consultants' preferred customers.

Consultants must ensure that the following information is contained on each sales receipt: (1) The date of the transaction; (2) The date (not earlier than the third business day following the date of the transaction) by which the buyer may give notice of cancellation; and (3) name and address of the selling Consultant.

Remember that customers must receive two copies of the sales receipt. In addition, Consultants must orally inform the buyer of his or her cancellation rights.

#### **6.4 Point Expiration**

All points used for product purchase expire on the twelfth (12<sup>th</sup>) month after purchase. Expired points will not be restored to any account. Free card sends or other equivalent products may be added to accounts in place of points as determined by Promptings Customer Support based on purchase price of the expired points.

#### **6.5 System Card Expiration**

All system cards included as part of a monthly package expire upon the monthly renewal date of that monthly package (i.e. if a package is purchased on January 1 then the cards expire prior to February 1). New system cards will be added upon a new or renewal of the monthly subscription.

### **SECTION 7 - BONUSES AND COMMISSIONS**

#### **7.1 - Bonus and Commission Qualifications**

A Consultant must be active and in full compliance with the Agreement to qualify for bonuses and commissions. So long as a Consultant complies with the terms of the Agreement, Promptings shall pay commissions to such Consultant in accordance with the Marketing and Compensation plan. Consultants must choose between ACH / Direct Deposit (US only) or Promptings Wallet for payment of earnings. In the event a Consultant is not in compliance then Promptings has the right to withhold any bonuses and/or commissions which bonuses and commissions may be waived as a result of the non-compliance. All Consultants must provide a valid US Tax identification or the appropriate government issued identification in order to receive bonuses and commissions.

#### **7.2 - Adjustment to Bonuses and Commissions**

Consultants receive bonuses and commissions based on the actual sales of products and services to end consumers. When a product is returned to Promptings for a refund or is repurchased by the Company, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted, in the month in which the refund is given, and continuing every pay period thereafter until the commission is recovered, from the Consultants who received bonuses and commissions on the sales of the refunded products.

#### **7.3 - Reports**

All information provided by Promptings in online or telephonic downline activity reports, including but not limited to personal and group sales volume (or any part thereof), and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors including the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned products; credit card and electronic check charge-backs; the information is not guaranteed by Promptings or any persons creating or transmitting the information.

ALL PERSONAL AND GROUP 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 NONINFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, Promptings AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY Consultant OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF Promptings OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO



THE FULLEST EXTENT PERMITTED BY LAW, Promptings OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

Access to and use of Promptings' 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 Promptings' online and telephone reporting services and your reliance upon the information.

## **SECTION 8 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE**

### **8.1 - Product Guarantee**

To receive a 100% total refund, Retail Customers may cancel their order within three business days from the date of purchase. See the cancellation policy on the Order Form. Preferred customers may cancel their initial order within five business days from the date of purchase. Cancellation may be extended as required by the laws of a state or country, in which case the cancellation may occur in accordance with the applicable law. Cancellation of subsequent purchases may be made within the month they are made in accordance with section 8.2. Some purchases may not be refundable.

### **8.2 - Return of Inventory and Sales Aids**

Upon cancellation of a Consultant's Agreement, the Consultant may return non-customized products and/or card inventory, points, and sales aids to the company for a refund if he or she is unable to sell or use the products. A Consultant may only return products and tangible sales aids purchased by him or her that are in resaleable condition (no refunds for costs associated with Consultant websites). Products that are non-customized may be returned for one year from purchase as long as the product has not expired, been opened and is in resaleable condition. Upon receipt of the products and sales aids, the Consultant or customer will be reimbursed 90 percent of the net cost of the original purchase price(s), less shipping charges. If the purchases were made through a credit card, the refund will be credited back to the same account. ***The Company shall deduct from the reimbursement paid to the Consultant any commissions, bonuses, rebates or other remuneration received by the Consultant which were associated with any inventory that is returned.*** Sales aids are products that are exclusively designed to aid the Consultant in presenting Promptings retail products.

#### **8.2.1 - Montana Residents**

A Montana resident may cancel his or her Consultant Agreement within 15 days from the date of enrollment, and may return his or her starter kit for a full refund within such time period.

### **8.3 - Procedures for Returns**

All returns shall be sent to the Company along with a copy of the packing slip included with the products. If banked cards or points are returned, the Customer must submit a written request, including his/her Consultant ID number, to the company and specifically identify how much of the banked inventory the Consultant wishes to return. All refunds will be reimbursed at 90 percent of the net cost of the original purchase price. The company shall deduct from the reimbursement paid to the Consultant any commission, bonuses, rebates or other remuneration received by the Consultant which were associated with any inventory that is returned. Payouts made to upline Consultant will be clawed back from the upline Consultant's earnings. Points acquired through subscriptions are not eligible for refunds as these points are gifted as part of the subscription and not purchased.

### **8.4 – Rights of Cancellation (Cooling-Off Period)**

Where a cooling-off period is required, the Consumer will be entitled to cancel the agreement at any time up to ten days (or as required by law) from the date of placing the order of signing the agreement. In the event of cancellation during the cooling-off period the Consumer will be entitled to a refund of all monies paid in respect

of that sale or agreement upon return of the product in satisfactory condition.

## **SECTION 9 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS**

### **9.1 - Disciplinary Sanctions**

The Company's obligations to a Consultant are conditioned upon the Consultant's faithful performance of the terms and conditions of the Agreement. The Company, in its sole discretion, will determine if a Consultant is in breach of the Agreement and may elect any or all available remedies. In the event of breach, the Company may elect to take no action or to exercise some or all contractual or administrative remedies and remedies at law or in equity, including, but not limited to:

- 9.1.1** - Issue a written warning or admonition;
- 9.1.2** - Notify the Consultant either in writing or verbally of the breach and providing a notice to cure the breach;
- 9.1.3** - Require from the Consultant additional assurances of future compliance;
- 9.1.3** - Assess damages, which may be withheld from bonus and commission checks;
- 9.1.4** - Loss of rights to one or more recognition, attendant perk, bonus, or commission checks;
- 9.1.5** - Promptings may withhold from a Consultant all or part of the Consultant's bonuses and commissions during the period that Promptings is investigating any conduct allegedly in violation of the Agreement. If a Consultant's business is canceled for disciplinary reasons, the Consultant will not be entitled to recover any commissions withheld during the investigation period;
- 9.1.6** - Suspend Consultant rights temporarily or permanently;
- 9.1.7** - Involuntary termination of the offender's Consultant Agreement;
- 9.1.8** - Any other measure expressly allowed within any provision of the Agreement or which Promptings deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Consultant's policy violation or contractual breach;
- 9.1.9** - In situations deemed appropriate by Promptings, the Company may institute legal proceedings for monetary damages and costs and/or equitable or injunctive relief.

The above disciplinary measures are not sequential; the Company may take any of the measures listed in any order. For example (and not by way of limitation), the Company may suspend a Consultant's agreement before requiring the Consultant to take immediate corrective measures.

The Agreement is designed to protect Consultants and the Company from the adverse consequences of their violation. Consultants who intentionally circumvent the Agreement to accomplish indirectly what is prohibited directly will be disciplined as if the applicable policy or rule had been broken directly. In such circumstances, all of the available remedies as stated above will be available to the Company. The Agreement is not intended to give a Consultant the right to enforce the Agreement against another Consultant directly, or to take any legal action against another Consultant.

In the event any or all of the actions listed above are taken, the Consultant will have the right to reply to any allegations provided and to offer evidence to the contrary. All efforts will be taken to ensure that the process is fair and equitable.

### **9.2 – Reporting Agreement Breaches**

If a Consultant observes or is aware of another Consultant's violation of any term or condition of the Agreement, the observing Consultant shall submit a written complaint to the Company on the applicable form provided by such department. Because of the difficulties of investigating and asserting appropriate remedies for stale claims, any complaint for breach of the terms and conditions of the Agreement other than Recruiting must be brought to the Company's attention for review within eighteen (18) months of the start of the alleged violation; Recruiting violations must be brought to the Company's attention within six (6) months of the alleged

violation. Failure to report a violation within that time period may result in the Company not pursuing the allegations in order to prevent the Consultant Business from being disrupted due to stale claims. However, this policy does not waive the Company's right to investigate and discipline Consultant found guilty of the stale claims.

### **9.3 - Grievances and Complaints**

When a Consultant has a grievance or complaint with another Consultant regarding any practice or conduct in relationship to their respective Consultant accounts, the complaining Consultant should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's upline sponsor. If the matter cannot be resolved, it must be reported in writing to the Compliance Department at the Company. The Compliance Department will review the facts and take every effort to resolve it. Involved in this process is the right to have outside parties review and recommend an appropriate course of action.

### **9.4 - Governing Law, Arbitration, Injunctive Relief**

The State of Utah is the place of the origin of this Agreement and is where the Company accepted the offer of the Applicant to become a Consultant and where the Consultant entered into the Agreement with the Company. The Agreement is therefore to be construed in accordance with the laws of the State of Utah (without giving effect to any conflict of law provision or rule) as to contracts made and to be wholly performed within the State. Any controversy or claim arising out of or relating to the Agreement or the breach thereof, or any controversy or claim relating to the business relationships arising between Consultants shall be resolved by mandatory, final, binding, non-appealable arbitration in Salt Lake City, Utah, United States of America. There shall be one arbitrator, who shall be impartial, independent, and mutually agreed upon by the parties to the arbitration within seven (7) days following receipt of the written notice for demand for arbitration. If the parties do not reach agreement on a single arbitrator within such seven (7) day period, unless an agreement can be reached between the parties for private arbitration, the parties agree that the arbitration shall be administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules (except that there shall only be one arbitrator) and shall be governed by Utah state law, including, but not limited to, the rules pertaining to the discovery process as found in the Utah Rules of Civil Procedure. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof and enforcement of the judgment shall be governed by Utah state law. The parties shall equally share the assessed costs associated with the arbitration, including all arbitrator fees. If one party fails to pay its assessed costs, and such failure prevents the timely appointment of an arbitrator or delays ongoing arbitration proceedings, the other party may seek provisional remedies under the Utah Uniform Arbitration Act, Utah Code section 78B-11-109, to compel the non-paying party to comply with its payment obligations. Such provisional remedies may be sought in the courts of the State of Utah, Utah County, as the exclusive and sole jurisdiction and venue for such provisional actions, and each party hereby consents to personal jurisdiction and proper venue in those courts for such actions. The failure to pay assessed costs under this section, and any resulting costs, expenses, or damages resulting from the other party being required to seek provisional relief, shall become an additional claim of the injured party in the underlying arbitration. The parties, AAA, and the arbitrator shall maintain the confidentiality of the entire arbitration process and may not disclose to any other person not directly involved in the arbitration process: (i) the substance of, or basis for, the controversy, dispute, or claim; (ii) the content of any testimony or other evidence presented at an arbitration hearing or obtained through discovery in the arbitration; or (iii) the terms or amount of any arbitration award. AAA and the arbitrator shall have the authority to make appropriate rulings to safeguard confidentiality, unless the law provides to the contrary. The parties agree that before or after a demand for arbitration is made that a party (in addition to any other remedies which it may have and which are hereby exclusively reserved) is entitled to preserve its rights under the Agreement by seeking interim injunctive relief (a temporary restraining order, preliminary injunction and all other forms of interim relief available to the party filing the action) without a bond, and that the only venue for any suit shall be in the state courts located in Utah County, Utah or, at the sole discretion of the Company, in the federal court located in Salt Lake City, Utah. The parties agree that such suit filed with the court: (a) is not a waiver of the rights of the party who filed the suit to proceed with any demand for arbitration it previously filed, and (b) will not in any way affect the rights of the party filing the suit to thereafter demand arbitration once the interim relief is obtained. The parties

expressly waive any objections to personal jurisdiction or venue of such courts and to the arbitration being conducted in Salt Lake City, Utah, United States of America. The Consultant and the Company waive their right to commence, be a party to or class member of, a collective action in any court action against the other party or relating to the Agreement. Further, the Company and Consultant waive their right to commence or be a party to any group, class or collective action claim in arbitration or any other forum. The parties agree that any claim by or against Consultant or the Company shall be heard without consolidation of such claim with any other person or entity's claim.

#### **9.4.1 – Leading by Example**

It is important that leaders lead by example. Therefore, Promptings Consultants are free to participate in other sales or marketing opportunities that utilize a multilevel compensation structure and/or a network marketing sales approach (collectively “Network Marketing”). However, any Promptings Consultant who has achieved the rank Star 5 or above who operates or attempts to operate another Network Marketing business will not be eligible to earn Leadership bonuses (the maximum Generation and Leadership bonuses for which a Consultant at the Star 5 Rank or higher could qualify is compensation at the Star 4 rank). A Consultant is “operating” another Network Marketing business if he/she has directly or indirectly engaged in any activity related to such other Network Marketing program after achieving the Star 5 rank or higher, with the exception of: (a) collecting commissions or bonuses for work that was performed prior to the time that the Consultant attained the rank of Star 5 or higher with Promptings; and/or (b) purchasing merchandise or services from such other Network Marketing company for personal and/or immediate household family use. Promptings will verify the participation of the Consultant in another Network Marketing program prior to enforcing this section of the agreement. Promptings may verify such participation by way of any physical evidence that the Consultant is participating in the other Network Marketing program. Examples of such evidence would include, but not limited to, the Consultant holding themselves out as a representative of the Network Marketing company’s products by use of advertisements bearing the Consultant’s name and contact information, or image. Any evidence that demonstrates that the Consultant is actively involved in selling the Network Marketing companies products will be sufficient evidence to prove the Consultants participation in the Network Marketing company. Reports from other Consultants of a Consultant’s participation in another Network Marketing company will be validated prior to any action being taken. The admission of a Consultant that they are participating in another Network Marketing company is also sufficient evidence to enforce this section.

### **SECTION 10 - ORDERING**

#### **10.1 - Purchasing Promptings Products**

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

#### **10.2 - General Order Policies**

On mail orders with invalid or incorrect payment, Promptings will attempt to contact the Consultant by email, phone, and/or mail to try to obtain another payment. If these attempts are unsuccessful after five working days the order will be returned unprocessed. No C.O.D. orders will be accepted. Promptings maintains no minimum order requirements. Orders for products and sales aids may be combined.

### **SECTION 11 - PAYMENT AND SHIPPING**

#### **11.1 – Electronic Check Payments**

Any Consultant making payment by electronic check (“eCheck”) will be required to verify their ownership of the checking account by contacting Promptings support department and providing the checking information or filling out and submitting an eCheck authorization form. Promptings will make a deposit to the checking account which the Consultant will be required to verify prior to the initial use of eCheck for enrollment

purposes. Consultants may also enroll using a credit card and then establish ongoing orders for product purchases using their checking account information. All Consultant checking accounts will be considered business accounts under NACHA rules and will be flagged as a business account even if the checking account is a Consultant's individual account. All Consultants agree and accept that any eCheck processing will be conducted under the NACHA rules that apply to business accounts.

### **11.2 - Insufficient Funds**

It is the responsibility of each Consultant to ensure that there are sufficient funds or credit available in his or her account to cover the monthly autoship or subscription order. Promptings is not responsible to contact Consultants in regard to orders canceled due to insufficient funds or credit. This may result in a Consultant's failure to meet his or her Personal Volume requirements for the month and qualification for bonuses and commissions.

### **11.3 - Returned Checks**

Checks returned by a Consultant's bank for insufficient funds may be re-submitted for payment. A \$25 returned check fee will be charged to the account of the Consultant. After receiving a returned check from a customer or a Consultant, *all future orders must be paid by credit card, money order or cashier's check. Any outstanding balance owed to Promptings by a Consultant for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks.*

### **11.4 – Autoship or Subscription Cancellation and Disabling By Promptings**

If the credit card being charged for an autoship or subscription order on a Consultant or Customer's account cannot be cleared, after two or more failed attempts, the autoship or subscription order will be deleted from the Consultant / customer's account.

### **11.5 - Sales Taxes**

Promptings will collect and remit sales taxes on behalf of Consultants according to applicable tax rates in the state to which the shipment is destined based on the zip code. If a Consultant has submitted, and Promptings has accepted, a current Sales Tax Exemption Certificate and Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be on the Consultant. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. Any sales tax exemption accepted by Promptings is not retroactive. Promptings will collect and remit GST and VAT as required by the laws of any countries which are open for Consultants and which Promptings has a taxable presence in the country.

## **SECTION 12 - INACTIVITY AND CANCELLATION**

### **12.1 - Effect of Cancellation**

So long as a Consultant remains active and complies with the terms of the Consultant Agreement and these Policies and Procedures, Promptings shall pay commissions to such Consultant in accordance with the Marketing and Compensation Plan. A Consultant's bonuses and commissions constitute the entire consideration for the Consultant's efforts in generating sales and all activities related to generating sales (including building a downline organization). Following a Consultant's non-renewal of his or her Consultant Agreement, cancellation for inactivity, or voluntary or involuntary cancellation of his or her Consultant Agreement (all of these methods are collectively referred to as "cancellation"), the former Consultant shall have no right, title, claim or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization. A Consultant whose business is canceled will permanently lose all rights as a Consultant. This includes the right to sell Promptings products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Consultant's former downline sales organization. In the event of cancellation, Consultants agree to waive all

rights they may have, including but not limited to property rights, to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former downline organization.

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

### **12.2 - Involuntary Cancellation**

A Consultant's violation of any of the terms of the Agreement, including any amendments that may be made by Promptings in its sole discretion, may result in any of the sanctions listed in Section 9.1, including the involuntary cancellation of his or her Consultant Agreement. Cancellation shall be effective on the date on which written notice is mailed, faxed, emailed, or delivered to an express courier, to the Consultant's last known address (email address or fax number), or to his/her attorney, or when the Consultant receives actual notice of cancellation, whichever occurs first. In the event of involuntary cancellation, any and all bonuses and commissions shall immediately cease and revert back to Promptings.

### **12.3 - Voluntary Cancellation**

A participant in this network marketing plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address. The written notice must include the Consultant's signature, printed name, address, and Consultant ID Number. The Consultant may request the cancellation form by contacting the Customer Service department. The canceling Consultant may return their Consultant kit in reusable condition prior to the end of 12 months from date of purchase for a refund of the purchase price. In the event of voluntary cancellation, any and all bonuses and commissions shall immediately cease and revert back to Promptings.

### **12.4 - Non-renewal**

A Consultant may also voluntarily cancel his or her Consultant Agreement by failing to renew the Agreement on its monthly anniversary date. If the renewal fails due to payment being declined the account will continue to be considered active for two months. The Company may also elect not to renew a Consultant's Agreement upon its anniversary date. In the event of non-renewal, any and all bonuses and commissions shall immediately cease and revert back to Promptings.

### **12.5 Account Conversion to Customer for Non-Renewal**

Any Consultant who fails to pay the renewal fee on their account for 60 days past the renewal date will be marked as non-renewal ("NR") in the Promptings system. Once an account has been marked NR in the Promptings system the Consultant will no longer be considered Active and will no longer receive commissions and bonuses. If the account remains in NR status for an additional 30 days after being marked NR then the account will be converted to customer status. When this conversion occurs, the former Consultant will become a customer. At any time within the 90 day process the Consultant may pay the renewal along with the missed months renewals and be fully reactivated. If the time frame exceeds the 90-day window the Consultant will be able to pick up from that point and make earnings going forward, but will forfeit any prior earnings during the canceled period. In the event of Conversion, any and all bonuses and commissions shall immediately cease and revert back to Promptings.

### **12.6 - Three phases of inactivity for Consultants**

#### **12.6.1 Inactive**

A Consultant or Customer is considered inactive if they have made no purchases or have no account activity during a consecutive six-month period.

**Action:** Any or all autoship orders may be canceled including Consultant renewal. If a Consultant has selected to have their Promptings Consultant account automatically renew, renewal in Business Office may be disabled. A Consultant whose account has not renewed will automatically go inactive in the Business Office 90 days after non-payment.

### **12.6.2 Disabled**

A Consultant or customer account becomes disabled when no purchases have been made or no account activity from their account in a total of 12 consecutive months.

**Action:** The Consultant / customer's account will be disabled and the user will not be able to login to their account.

### **12.6.3 Deletion**

A Consultant or customer's account will be in Deletion status after 18 consecutive months of not making any purchases on the account or account activity.

**Action:** Consultant / customer's account may be deleted from company databases. If an account is deleted all of the Consultant / customer's contacts and other data associated with the account will also be deleted.

A Consultant whose monthly renewal date has passed can reactivate their account by paying the \$14 monthly renewal fee for their Consultant account, including the past due renewal fees. If the Consultant's account has been converted to a customer, the Consultant will need to upgrade back to Consultant status.

Any account which has been deleted from the Promptings database will not be able to be recovered. Any data that was contained in the account will need to be restored by the user.

## **SECTION 13 - DEFINITIONS**

**Active Consultant** — A Consultant who has paid his/her monthly renewal fee and is in full compliance with Policies and Procedures.

**Active Rank** — The term "active rank" refers to the rank that a Consultant has qualified for within the most recent 90 days.

**Consultant** — Ability to represent Promptings with his/her own greeting card and gift business. Eligible to earn commissions and bonuses and receive compensation by sharing Promptings.

**Agreement** - The contract between the Company and each Consultant includes the Consultant Application and Agreement, the Promptings Policies and Procedures, the Promptings Marketing and Compensation Plan, the Fair Use policy, and the Business Entity Form (where appropriate), all in their current form and as amended by Promptings in its sole discretion. These documents are collectively referred to as the "Agreement."

**Auto Order** – Also referred to as autoship or subscription. Automatic monthly charge made to an account holders payment method which adds products to the individuals account. Provides the highest level of discount available to purchase points for sending cards.

**Cancel** — The termination of a Consultant's business. Cancellation may be either voluntary, involuntary, through non-renewal or inactivity.

**Commissionable Products/Services** — All Promptings products and services on which commissions and bonuses are paid.

**Company** — The term “Company” as it is used throughout the Agreement means Promptings, LLC.

**Compression** — The process by which non-qualified Consultants are excluded from the computation of bonuses and commissions for eligible Consultants. Promptings does not employ compression.

**Direct Customer** — A Customer who has completed a Promptings Customer Application and Agreement, and purchases products directly from Promptings with his/her Consultant’s Customer Retail ID Number, but who does not participate in the Preferred Customer program.

**Downline** — The organization below a Consultant, consisting of Consultants sponsored directly by the individual and levels of Consultants sponsored by those Consultants below the individual and the individual Consultants below those to any number of levels, also known as a unilevel organization.

**Downline Leg** — Each one of the individuals enrolled immediately underneath you and their respective marketing organizations represents one “leg” in your marketing organization.

**Downline Report** — A monthly report generated by Promptings that provides critical data relating to the identities of Consultants, sales information, and enrollment activity of each Consultant’s marketing organization. This report contains confidential and trade secret information which is proprietary to Promptings.

**End Consumer** — A non-Consultant who purchases Promptings products for the purpose of personally consuming them.

**Immediate Household** — Heads of household and dependent family members residing in the same house. Includes dependent family members who are temporarily living outside of the house but dependent on the household for primary support.

**Official Promptings Material** — Literature, audio or video tapes, and other materials developed, printed, published and distributed by Promptings to Consultants, including but not limited to material on Promptings’ website.

**Organization Volume** — The commissionable value of Promptings products generated by a Consultant’s marketing organization. Organization Volume does not include the Personal Volume of the subject Consultant. (Consultant option and sales aids have no Sales Volume.)

**Preferred Customer** — A non-Consultant customer who has executed a Promptings Customer Agreement and who purchases a Preferred Customer Package or at a Preferred price.

**Rank** — The “title” that a Consultant has achieved pursuant to the Promptings Marketing and Compensation Plan.

**Recruit** — For purposes of Promptings’ Conflict of Interest Policy (section 4.9), the term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, through a third party, or indirectly (including but not limited to through use of a web site) another Promptings Consultant, Direct or Preferred Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. This conduct constitutes recruiting even if the Consultant’s actions are in response to an inquiry made by another Consultant, Direct or Preferred Customer.

**Resalable** — Products and sales aids shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labeling has not been altered or damaged; 3) the product and packaging are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) products are returned to Promptings within one year from the date of purchase; 5)



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the goods are not customized per the request or order of the Consultant; and 6) the product contains current Promptings labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

**Retail Customer** — A non-Consultant who purchases Promptings products from a Consultant or Consultant's retail web site or as part of a retail account.

**Retail Sales Volume (RSV)** – An amount that represents the retail amount an item is sold for and is used for qualifying for certain bonuses and commissions as outlined in the compensation plan document.

**Roll-Up** — The method by which a vacancy in a Marketing Organization left by a Consultant whose Consultant Agreement has been canceled is filled.

**Sponsor** — A Consultant who enrolls a customer, or sponsors another Consultant into the Company, and is listed as the Sponsor on the Consultant Application and Agreement

**Subscription** – Promptings operates on a subscription basis. Subscriptions may be fulfilled by use of an autoship or auto order and these terms may be used interchangeably, however, an autoship alone may not fulfill the subscription and a subscription may or may not require an autoship.

**Upline** — This term refers to the Consultant or Consultants above a particular Consultant in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular Consultant to the Company.

For agreements to the coaching program see the coaching program documentation.