

# CORPORATE POLICIES

2024

Section 1 - 22

FROM  
TREE  
TO  
BEAUTY

OLIVE TREE PEOPLE



**OUR MISSION:**  
TO HEAL THE WORLD WITH THE POWER OF THE OLIVE TREE

Unique worldwide: We at OLIVEDA protect overgrown mountain olive trees by buying large estates, cultivating the trees and eco-certifying them. These wild mountain olive trees then deliver the globally unique holistic Beauty Molecule and Elixir Hydroxytyrosol that perfectly protects our cells from the inside out and from the outside in (studies by ESFA) and the cells from the trees making them live up to 4,000 years old. This globally unique holistic Beauty Molecule and Elixir, which is found exclusively in our mountain olive trees, replaces 100% of the 70% water phase that is otherwise common in skin care products.

## SECTION 1: INTRODUCTION

These Olive Tree People, hereinafter OTP, Corporate Policies (“Company Policies”) expressly form part of the Waterless Beauty Consultant Agreement and together with the Waterless Beauty Consultant Agreement and the Schedules and Supplements incorporated herein and the Privacy Policy constitute the entire agreement (“Agreement”) between OTP (“Company”) and the independent Waterless Beauty Consultant. OTP is entitled to change the Waterless Beauty Consultant contract and the associated general terms and conditions as well as the Company guidelines if this is necessary for economic reasons or legal changes. OTP will announce changes in the back office of the Waterless Beauty Consultant dashboard at least one month before the change comes into effect, specifying the future contract change. The Waterless Beauty Consultant has the right to object to the change or to terminate the contract in text form without observing a notice period for the change to take effect. In the event of an objection, OTP is entitled to terminate the contract. If the Waterless Beauty Consultant does not terminate the contract or does not object to the change, the changes will come into effect from the time specified in the change notice. OTP is obliged to inform the Waterless Beauty Consultant of the importance of his silence in the change notification made in the back office.

If the Waterless Beauty Consultant violates the contractual or statutory obligations in this contract and the associated General Terms and Conditions, the Company guidelines or other contractual or statutory obligations, OTP has the right to warn the Waterless Beauty Consultant, depending on the severity of the violation, and at the same time, until the violation of obligations has been remedied, to temporarily block or to fully terminate and at the same time, to block permanently, as well as to demand compensation for damages or an appropriate contractual penalty in the event of violation of a declaration of discontinuance that is subject to criminal prosecution.

The mission of the Company, OTP: Our mission is to heal the world with the power of our mountain olive trees. For this, we take over large lands with wildly grown mountain olive trees, cultivate and eco-certify them. The mountain olive trees then supply the worldwide unique “Holistic Beauty Molecule” hydroxytyrosol, which protects human cells perfectly (ESFA and FDA studies) and protects the cells of the trees up to 4,000 years. This globally unique Beauty Molecule, which is only found indigenously in our mountain olive trees, replaces 100% of the 70% water phase that is otherwise common in skin care products. The products are therefore 70% more efficient than those based on water.

**The water that we do not use in our products** we bring to the people in Africa by building water wells, most recently with the Maasai in the Kilimanjaro region in 2021. 2.5 billion people on our planet have no direct access to clean water.

Distribution of our products by Waterless Beauty Consultants working from home, introducing, informing, and selling OTP products.

Providing educational opportunities for all people who want to learn more about the impact Waterless Beauty products have on people and their environment and how our cycle from tree to beauty affects people and nature.

Our goal is to raise people’s awareness for a more a conscious and self-determined lifestyle.

**OTP Company Values:** OTP operates its business like a tree that makes a positive impact on everyone it comes in contact with: customers, Waterless Beauty Consultants, employees, vendors and partners, and its environment to have good will.

1. To manage the Company genuinely and with integrity;
2. Kindness and respect to all people and our surroundings;
3. Conducting our interactions with others with devotional passion in a spirit of service and caring;
4. Hard work and wise management of Company resources;

5. Maintaining a motivating work environment characterized by cheerfulness, happiness and the love and joy of what we do;
6. Gratitude for success and appreciation of others; and
7. Generosity to the less fortunate in our community and around the world.

**Disclaimer:** To make the text easier to read, we have left the terms in their original form and not presented them in female and male or neutral (such as Waterless Beauty Consultant), but we are expressly addressing all genders.

## SECTION 2: DEFINITIONS

**Active:** Any Independent Waterless Beauty Consultant who has ordered OTP products within the last twelve (12) months.

**Bonus:** Compensation (sometimes called “Commissions”) paid by the Company to a Waterless Beauty Consultant based on the volume of product sold/brokered by him and his distribution structure upon the fulfillment of all the requirements of the OTP Compensation Plan. See § 10.

**Consultant:** The designation for Level 1 Waterless Beauty Consultant in the Company’s compensation plan.

**The Independent Waterless Beauty Consultant Agreement:** The completed application - whether in writing or in electronic form - for entering into a Waterless Beauty Consultant Agreement with all associated terms and conditions, Company Policies, Compensation Plan, and other contractual documents, which, upon acceptance by the Company, expressly becomes part of the contract between the Waterless Beauty Consultant and OTP.

**Downline:** Another name for sales structure organization.

**Targeted Local Market:** A country or geographic region designated by the Company in writing as officially opened for OTP transactions.

**Waterless Beauty Consultant Application Extension:** Any supplemental/additional document to this Independent Waterless Beauty Consultant Agreement. If a Waterless Beauty Consultant would like to operate his Waterless Beauty Consultant Account through a corporation or a partnership in the future, the future corporation or partnership must duly complete and sign the extended Waterless Beauty Consultant application.

All shareholders and, as applicable, the shareholders of the shareholders, if one of the shareholders is also a corporation or a partnership, must be named, be at least 18 years old, and sign the application. The shareholders are each personally liable to OTP for the behavior of the corporation.

**OTP Intellectual Property:** OTP Intellectual Property means all intellectual property that OTP or Oliveda International or an affiliate claims as its copyright, proprietary right, or other property or right to use, including, but not limited to: trademarks, trade names, work titles, patents, domain names and all content of its publications protected by copyright regardless of whether it is registered with the responsible registration authorities.

**Annual Service Fee:** A fee incurred for the contractually granted 12-month non-exclusive right to use the provided back office and landing page, which also covers the costs of maintenance, care and possible updates or upgrades of the back office and landing page and which each Waterless Beauty Consultant must pay to the Company to renew the Waterless Beauty Consultant Agreement for an additional year each year on the date of its registration. With payment of the annual service fee

for the contract period of one year, the Waterless Beauty Consultant also acquires the right for OTP to provide the available support documents and information on products and services, Company programs, free of charge. The annual service fee also covers the cost of all the Company's direct mailings.

**Hospital:** Any hospital, medical health or treatment center, nursing home, retirement home, convalescent center, or similar facility or location.

**Customer:** The term "customer" includes the end customer and the preferred customer.

**Customer Loyalty Program:** The "Loyalty Rewards Program" (LRP) is a product ordering program in which the Waterless Beauty Consultant may schedule automatic monthly shipments of OTP products and in which a Waterless Beauty Consultant may qualify to receive product credits and other benefits within the Compensation Plan (see § 10).

**Local Market:** A single country or group of countries that identifies the Company.

**Person:** Any individual, i.e., natural person, entity (Inc., Ltd., LLC, LP, etc.) acting as a person, or other legal person.

**Product Claims:** Claims related to the effectiveness or effects of OTP products. Product claims are subject to regulation by laws and relevant regulatory bodies in the country where the OTP product is distributed.

**Ranks:** Ratings (levels) earned or awarded by a Waterless Beauty Consultant under the Company's compensation plan structure, including Olive, Green Olive, Black Star Olive, etc. These ranks are earned and assessed monthly.

**Enroller:** An enroller is a Waterless Beauty Consultant who has enrolled an enroller. This designation entitles a Waterless Beauty Consultant to qualify for Ranks and Fast Start Bonuses in the Compensation Plan. Enrollers will also benefit from being able to identify the sponsor of a new Waterless Beauty Consultant within the enroller's organization. A enroller can also be a sponsor at the same time (see sponsor).

**Registeree:** A Registeree is a Waterless Beauty Consultant who has been registered by an enroller.

**Sponsor:** A Waterless Beauty Consultant who directs another Waterless Beauty Consultant in their organization placed under himself.

**Independent Waterless Beauty Consultant:** Any individual who is an independent contractor and is authorized by the Company to sell Products, attract other Waterless Beauty Consultants to sell Products and receive bonuses in accordance with the requirements of the Compensation Plan. A Waterless Beauty Consultant's relationship with the Company is governed by this Agreement. A Consultantship may include more than one person as co-owners. In such cases, "Waterless Beauty Consultant" means all persons collectively, although each person collectively owns all Waterless Beauty Consultant rights, and each person collectively and separately must perform all Waterless Beauty Consultant duties.

**Company:** Company, or "OTP", means Olive Tree People Inc. or any legal assignee, successor, subsidiary or affiliate regardless of location or any partnership or corporation such as a stock corporation, partnership, or other duly registered entity (Inc., Ltd., LLC, LP, etc.).

**Company Credit:** Company Credit is a Waterless Beauty Consultant's account balance of their accounts receivable from the Company. Company credit can be used to purchase products. However, it can also be redeemed for cash (cf. product credit).

**Company Policy:** This document, which forms part of the Agreement. Company Policies along with Business Proposal including all amendments and supplements.

**Contract:** The agreement between a Waterless Beauty Consultant and the Company consisting of this Waterless Beauty Consultant Contract, associated Terms and Conditions and Company Policies together with Business Proposal including all amendments and supplements.

**Distribution Partnership:** The term “Distribution Partnership” is another term for each Waterless Beauty Consultant’s business as represented by the Waterless Beauty Consultant’s contractual relationship with OTP.

**Sales Organization:** The group of Waterless Beauty Consultants and customers sponsored in a Waterless Beauty Consultants direct and subsequent downline sponsorship channel.

**Preferred Customer:** A Preferred Customer is anyone who purchases products at discounted prices. A Preferred Customer does not earn any bonuses under the OTP Compensation Plan. However, a Preferred Customer may purchase volume discounts on product purchases through the OTP Customer Loyalty Program.

**Preferred Customer Agreement:** The application, whether in printed or electronic form, for the conclusion of a Preferred Customer Contract.

**Sales Aid:** Any material, whether in print or digital format, used in offering or selling Company products, recruiting Waterless Beauty Consultants or clients, training Waterless Beauty Consultants, and relating to the Company, its products, its Compensation Plan or OTP’s intellectual property.

## SECTION 3: CODE OF CONDUCT

OTP expects and requires its Independent Waterless Beauty Consultants to behave in accordance with the highest standards of ethical conduct. The OTP Waterless Beauty Consultant is expected to demonstrate the following ethical behavior in introducing people to the products and representing the Company and its products. Violations of the standards of conduct in this Company Policy, including the Code of Conduct, may subject a Waterless Beauty Consultant to different levels of disciplinary action from the Company, depending on the seriousness of the violation. The following standards help to ensure a consistent standard of excellence throughout the OTP organization. All Waterless Beauty Consultants should therefore:

- Treat everyone with respect when conducting OTP-related business
- Conduct themselves and conduct their business in a manner that maintains ethical, moral, legal, and financial integrity. Waterless Beauty Consultants shall not engage in any activity or conduct that would cause disrespect or embarrassment to OTP, its directors, employees, themselves, or any other Waterless Beauty Consultant.
- Do not make negative or derogatory statements about other companies, their employees, or products.
- Do not make negative or derogatory comments about other OTP Waterless Beauty Consultants.
- Be truthful in representations of OTP products. No claims may be made that OTP products will cure, treat, or prevent any disease, nor any diagnostic, therapeutic, curative or exaggerated claims.
- Support and encourage customers to ensure they have a meaningful, useful, and rewarding OTP experience. Water-

less Beauty Consultants should ensure, in their own interest, that they provide appropriate support and training to all Waterless Beauty Consultants they sponsor and who are in their organization.

- The OTP Compensation Plan must be properly and fully explained, rehearsed, and presented. When describing the income that can be earned through this compensation plan, please be honest. Waterless Beauty Consultants should never use their own income as an indicator of another person's potential success or misuse commission payments as marketing material.
- The consumer will not be prompted to purchase products by dubious and/or misleading promises, nor by promises of special advantages if these advantages are linked to future, uncertain successes. You will refrain from anything that could induce the consumer to accept the offer made solely to do the offeror a personal favor, to end an unwanted conversation or to obtain an advantage that is not the subject of the offer or for himself to show appreciation for granting such an advantage.
- They are considerate of people with no commercial experience and under no circumstances use their age, illness, or limited insight to induce them to conclude a contract.
- In the case of contacts with so-called socially disadvantaged or foreign-language population groups, you will take due consideration of their financial capacity and their insight and linguistic understanding and, in particular, refrain from anything that could cause the members of such groups to place orders that are not appropriate to their circumstances.
- Please always comply with all OTP requirements as currently set out in this Company Policy and other documents of this Agreement, as well as any future additions/amendments to them.

## SECTION 4: REGISTRATION AS A WATERLESS BEAUTY CONSULTANT

The independent Waterless Beauty Consultant relationship is the absolute most valuable relationship at OTP. The Company is delighted to partner with Waterless Beauty Consultant to showcase and offer our life-enhancing products and business opportunity.

- A. Enrollment as an Independent Waterless Beauty Consultant. To become an Independent Waterless Beauty Consultant for OTP, each applicant must:
1. pay a non-refundable back office setup fee of \$50.00 (excluding tax) to set up and activate the back office and personalized landing page,
  2. submit a correctly and completely completed Independent Waterless Beauty Consultant Agreement, and
  3. Be of legal age, have full legal capacity and be an entrepreneur who is in possession of a trade license (conclusion of a contract by consumers is not possible).
- B. Incorrect Applications. Any incomplete, erroneous, false, or fraudulent application as an Independent Waterless Beauty Consultant will be treated as invalid in advance and no effective contract will be formed.
- C. Binding Effect of a Member of a Consultanship. If one or more persons become part of a Consultanship as co-owners, one person's action, consent or acceptance shall be binding on the entire Consultanship.
- D. Discretionary Acceptance of Contract. OTP reserves the right, in its sole discretion, to reject any Waterless Beauty Consultant application without any reason.

E. **Duty to Maintain Accurate Information.** To ensure that the Company has the most up-to-date information, Waterless Beauty Consultants must promptly notify the Company of any changes to their information. Proposed changes to personal information should be submitted in a Waterless Beauty Consultant supplemental agreement or business application with the notation "Amendment" or "Change of Information" in the top center portion of the form. This amended/amended Agreement must be signed by all Consultantship Holders prior to submission to the Company.

F. **Business Application Supplement.** A corporation or partnership may become an OTP Waterless Beauty Consultant if it provides truthful and correct copies of their incorporation documents, along with any other related documents/information (e.g., extract from the commercial register of registration or tax ID number) if OTP so requests.

The person acting as the authorized representative for the corporation or partnership then signs the independent Waterless Beauty Consultant Agreement. A corporation or partnership cannot be registered online. Hospitals can only become OTP Waterless Beauty Consultant's if they provide written approval from their legal or compliance department.

G. **Contract Term and Contract Renewal.** The contract will run for one (1) year from the date of its submission to OTP. Subject to ordinary termination, which is possible for both parties and must be received in writing or by e-mail no later than one month before the end of the contract period, the contract is always automatically extended by a further year if the Waterless Beauty Consultant pays the annual service fee of \$50.00 plus tax. The Waterless Beauty Consultant agrees to this and authorizes OTP to offset the annual service fee against the credit on his credit account or, in the event that the credit account does not have sufficient funds, to debit the credit card on file. The Company is also free to collect this annual renewal fee with the next product order. By paying the extension fee for the contract period of one year, the Waterless Beauty Consultant acquires the right to use the back office and landing page made available to him, which also covers the costs of maintenance, care and possible updates or upgrades of the back office and landing page are. The right of use is a simple, non-transferable right of use related to the specific back office and landing page; the Waterless Beauty Consultant has no right to change, edit or otherwise redesign the back office and the landing page, nor does it have the right to grant sublicenses. With payment of the annual service fee for the contract period of one year, the Waterless Beauty Consultant also acquires the right for OTP to provide him with the available support documents and information on products and services, Company programs, free of charge. The annual service fee also covers the cost of all the Company's direct mailings.

H. **Only one Consultantship is allowed.** Only one Waterless Beauty Consultant application will be accepted per natural person, partnership (e.g., LLC, LP, etc.) and corporation (e.g., Inc., Ltd., etc.), just as a natural person is not entitled to register as a shareholder in an additional Partnership or corporation or otherwise to register directly or indirectly several times. Spouses and/or registered civil partnerships must also belong to the same sales partnership and may only have one sales partnership among themselves.

I. **Independent business relationship between a Waterless Beauty Consultant and the Company.** A Waterless Beauty Consultant is an independent contractor and is not an employee, partner, legal representative, sales representative, broker, or franchisee of OTP. A Waterless Beauty Consultant is not authorized to, and shall not, incur any debt, expense or obligation or open a bank account on behalf of, for or on behalf of OTP. Waterless Beauty Consultants are entitled to determine their own business hours and the manner in which they conduct their OTP business, both of which must be consistent with this Agreement. As an independent entrepreneur, the Waterless Beauty Consultant is independently responsible for compliance with the relevant legal provisions, including tax and social law requirements (e.g. obtaining a sales tax identification number, obtaining a trade license or registering its employees with Social Security, as well as for obtaining a trade license, if necessary). Waterless Beauty Consultants are personally liable for all taxes and payments required by law, including income tax, social security contributions, and the proper collection and payment of sales tax on sales and bonuses, and are responsible for ensuring the correct assessment and payment of all such taxes and properly maintain and store the documents required for contributions.

Waterless Beauty Consultants will not be treated as employees of OTP for tax or employment purposes and understand and agree that the Company is not responsible for paying taxes, withholding any form of Bonuses - and will not withhold or directly deduct them - unless such withholding would be required by law. All sales tax collection and remittance agreements between the Company and any applicable taxing jurisdictions and all related regulations and procedures are binding on the Waterless Beauty Consultant. There are no sales targets, purchase, or other activity obligations. With the exception of the contractual obligations, the Waterless Beauty Consultant is not subject to any instructions from OTP and bears the entire entrepreneurial risk of his business activities, including the obligation to bear all his business costs including, but not limited to, travel, meals, accommodation, secretarial costs, office, long-distance telephone calls as well as other expenses. The Waterless Beauty Consultant has to set up and run his business, if necessary, in the sense of a prudent businessman, which, if necessary, also includes the operation of his own offices or a workplace managed in the sense of a prudent businessman.

- J. Company Awards. The Company may choose to recognize and honor Waterless Beauty Consultants at special events and in various publications, including conventions and in magazines. Such awards are based on criteria and standards adopted and modified by the Company from time to time. Normally, the Company honors Waterless Beauty Consultants for the highest rank they have achieved in the last three months out of the last cumulative 12 months - other than achieving a rank for the first time.
- K. The Waterless Beauty Consultant can revoke its contract declaration within two weeks after sending its contract application without giving reasons in text form (by letter or email) and in return for a refund of the full purchase price can return all goods and the starter set purchased up to that point.

## SECTION 5: PRODUCT PURCHASES

- A. There is no obligation to purchase any products. No one is required to purchase any product to become or remain an OTP Waterless Beauty Consultant or Client, nor is there a minimum purchase requirement.
- B. Eligibility to Resell OTP Products. Only Waterless Beauty Consultants may purchase OTP products for resale.
- C. It is prohibited to purchase products solely to qualify for Bonuses. The OTP business opportunity is based on resale to end customers. The Company encourages Waterless Beauty Consultants to only purchase stock that they use as a sales tool or that they sell to others for ultimate consumption. Purchasing products solely to qualify for bonuses is prohibited. Waterless Beauty Consultants are not permitted to purchase supplies to an extent where it is deemed that the quantity purchased cannot be sold, tasted, or used for other promotional purposes within a reasonable time. Under no circumstances may the Waterless Beauty Consultant, himself, or his family members cause other Waterless Beauty Consultants to purchase products in larger quantities for their own consumption that unreasonably exceed personal use within a household. With each new order of goods, the Waterless Beauty Consultant assures that at least 70% of this delivery of goods from the previous order was used for business purposes in the context of sales, product presentations, tastings, or other advertising purposes and a maximum of 30% of stock goods from the last order is available in his warehouse. The Company reserves the right, in its sole discretion, to limit the amount of purchases a Waterless Beauty Consultant is permitted to make if the Company believes such purchases are made solely to qualify for the Bonus Program but not for resale. In addition, the Company reserves the right to reclaim Bonuses already paid if the Company discovers that such Bonuses were acquired with sales which, in the Company's opinion, constitute a breach of this Agreement.



- D. Use of Credit Cards. All Waterless Beauty Consultants are strongly advised not to use their own credit cards to purchase products for another Waterless Beauty Consultant or for a client. Waterless Beauty Consultants are not permitted to use their own credit cards to purchase products for another Waterless Beauty Consultant or for a customer who has been registered with the Company for less than thirty (30) days. The Waterless Beauty Consultant is not permitted to place an order for Products using another person's credit card unless the holder of that credit card agrees in writing. On the rare occasion that a product must be purchased for another Waterless Beauty Consultant or client, the Company must have written approval from the Waterless Beauty Consultant or client for whom the product order is placed. Failure to provide such approval at the Company's request may result in cancellation of the order, forfeiture of bonuses from that sale and further disciplinary action as set forth in Section 19.
- E. Repackaging prohibited. Waterless Beauty Consultants are not allowed to put their own labels on or repackage OTP products. All products must be sold in their original packaging only. For example, Waterless Beauty Consultants may not sell individual parts of a kit separately from the original kit packaging unless the Company has established a separate wholesale price for each individual part.

Similarly, Waterless Beauty Consultants may not promote the use of OTP products as ingredients for non-OTP products, for example as part of a separate product or as ingredients in food recipes, without the Company's written consent. How a Waterless Beauty Consultant is to use the name OTP is explained in § 12 of these Company guidelines.

- Fees for Declined Payments. Waterless Beauty Consultants are responsible for reimbursement of the cost of resend payments to or receiving payments from a Waterless Beauty Consultant to the Company if such payments are returned to the Company due to insufficient funds.
- Orders on demand. The Company has the option to ship an order placed to the Waterless Beauty Consultant if such order is not collected on demand within twenty (20) days of its placement. The cost of such shipping to the Waterless Beauty Consultant will be assessed by the Company on the basis that the order had originally been placed as an order to be shipped. The pick-up period varies depending on the local market. To do this, please contact the retrieval center in the local market from which the product was ordered.

## SECTION 6: PRODUCT RETURNS POLICY

- A. Product return within three hundred sixty five (365) days for retail customers.
1. OTP will refund one hundred percent (100%) of the purchase price (excluding a \$7.00 flat fee for return shipping) of any currently marketable product returned by a Waterless Beauty Consultant within sixty (60) days of shipment from the Company. Retail customers can return within three sixty five (365) day period and also receive the full refund (excluding a \$7.00 flat fee for return shipping) set forth here.
  2. All free gifts included in the order need to be included in the return by a Waterless Beauty Consultant and Retail customer.
- B. Currently marketable. Products are considered "currently marketable" if each of the following conditions are met: 1) product has not been used; 2) Packaging and labeling have not been altered or damaged; 3) Products that have been delivered sealed or in protective packaging where the seal has not been broken or the protective packaging has not been opened, otherwise these products can no longer be sold for health and hygiene reasons 4) the product and its packaging are in such a condition that the goods can be resold at their full price in accordance with reasonable commercial practice of current trade; 5) the product has not yet expired; and 6) the product shows the current OTP label.

- C. Returning Damaged or Incorrectly Shipped Products. OTP will exchange or refund products if Waterless Beauty Consultant receives them damaged, otherwise defective, or if they were not shipped correctly. The Waterless Beauty Consultant must examine the delivered products immediately upon receipt and must return the rejected products within fifteen (15) days of receipt. All such returned products will, if desired, be replaced with non-defective products.

However, if such an exchange is not reasonable, the Company reserves the right to issue a refund for the amount of the returned product. In addition, the statutory warranty rules and periods apply.

- D. Retention of Order Number. In order for the Company to properly allocate any applicable bonuses on returned products, the original order number must be retained from the invoice. This number must then be presented to the Company when requesting the refund.
- E. Kit Returns. Products purchased as part of a kit or pack must also be returned as the entire kit or pack.
- F. Alternative Refunds. The form of refund will be based on the payment method of the local market and will be made in the original form of payment for the product, to the extent possible and permissible. Refunds will only be paid to the original payer.
- G. Returns Procedure. In order to be eligible for a refund for returned products or sales aids, a Waterless Beauty Consultant must comply with the following return procedure:
1. The Company must have a returns number prior to returning the shipment. This number can be obtained either by telephone or in writing and the Waterless Beauty Consultant number must accompany the actual return shipment.
  2. The Company will inform the Waterless Beauty Consultant of the return procedure to be followed and the location for the return of the products or sales aids. All shipping costs for the return are at the expense of the Waterless Beauty Consultant, subject to conflicting mandatory legal rules.
  3. The above rules for return procedures apply subject to any conflicting mandatory statutory rules. OTP's return/refund procedures do not affect the statutory rights of a Waterless Beauty Consultant
- H. Company's right to reclaim unearned bonuses. Bonuses are paid to Waterless Beauty Consultants based on retail purchases of Company products. If products are returned, the Company is entitled to reclaim the Bonuses that were paid based on the purchase of the returned products. The Company may, at its option, reclaim Bonuses by requiring the Waterless Beauty Consultant to pay the applicable amount directly to the Company or by offsetting (i.e. deducting) the amount against future Bonus payments. The Waterless Beauty Consultant expressly agrees to the offsetting of the Bonuses to be reclaimed against his existing Bonus claims.
- I. Return of Personalized Selling Aids. Personalized Selling Aids are non-returnable and non-refundable, except for Personalized Selling Aids with typographical errors or other defects. These defective sales aids must be returned within thirty (30) days and in accordance with the foregoing Product Returns Policy.
- J. Credit Card Refunds. Waterless Beauty Consultant is required to return products in accordance with the Company's product exchange and return policy, rather than doing so with a credit card refund. Should credit card refunds occur, the Company is entitled to recover the bonuses paid based on the products related to the credit card refunds.
- K. Training. If the Company offers training for the Waterless Beauty Consultant at the expense of the Waterless Beauty Consultant and if the Waterless Beauty Consultant is not satisfied with the training, the Waterless Beauty Consultant

shall be entitled to notify the Company within fourteen (14) days of the training to ask for reimbursement of these costs (minus any food and accommodation costs).

- L. Statutory Consumer Rights. If a consumer returns products to a Waterless Beauty Consultant within fourteen (14) days as a result of their statutory right of withdrawal, the Waterless Beauty Consultant will be entitled to return those products to OTP for a one hundred percent (100%) refund.

## **SECTION 7: OBLIGATIONS AND RESTRICTION ON RETAIL SALES**

Right of Withdrawal. Under consumer protection law, any Waterless Beauty Consultant who has sold a product to an end customer must offer the statutory 14-day right of withdrawal or withdrawal, issue a proper sales invoice and provide the necessary consumer information in their terms of sale. However, the Company advises Waterless Beauty Consultant to accept a request for a refund or exchange of a product even after the statutory right of cancellation or withdrawal has expired. The Company supports this recommendation by providing its generous Product Returns Policy, found in Section 6. The Waterless Beauty Consultant is required to keep copies of these sales invoices for ten (10) years as part of its statutory retention requirements. The corresponding tax charged - if applicable - must also be properly shown on the invoice form.

## **SECTION 8: ENROLLMENT OR SPONSORSHIP OF AN INDEPENDENT WATERLESS BEAUTY CONSULTANT OR A PREFERRED CUSTOMER**

- A. **Obligation to Fulfill Contractual Responsibilities.** Before a Waterless Beauty Consultant may act as an enroller or sponsor, they must meet all the requirements and responsibilities outlined in this Agreement.
- B. **Classification.** A Waterless Beauty Consultant has the option, but not the obligation, to recruit other Waterless Beauty Consultants to distribute OTP. An applicant who becomes a Waterless Beauty Consultant will be placed within the enroller's organization identified on the Independent Waterless Beauty Consultant Agreement Form. Upon attaining the required qualification, the referring Waterless Beauty Consultant will receive corresponding bonuses on the product sales of the referred Waterless Beauty Consultant. However, no commission is expressly paid for the advertising of a new Waterless Beauty Consultant itself.
- C. **Organization Training and Support.** In order to be a successful enroller or sponsor, each Waterless Beauty Consultant is encouraged, but not required, to provide the Waterless Beauty Consultants in their sales organization with the best possible training and support. The success of a Waterless Beauty Consultant comes only from the regular sale of Company products to end customers and from the product sales of other Waterless Beauty Consultants within their organization.
- D. **Developed Local Markets.** A Waterless Beauty Consultant is only entitled to register or sponsor other Waterless Beauty Consultants in developed local markets, cf. § 14.
- E. **How to become a successful enroller or sponsor.** In order to become a successful Enroller or Sponsor, each Waterless Beauty Consultant should fulfill the following responsibilities:
  1. Conducting regular sales and organization training, leadership, and motivation for the organization of the Waterless Beauty Consultant. Each enroller or sponsor should be in contact with everyone in their organization and always available to answer questions. If there is a senior leader in a Waterless Beauty Consultant's sales organization, communication with individuals in that sales organization shall be through the senior leader;

2. Ensure that all Waterless Beauty Consultants in his organization correctly understand and properly comply with Company Policies, the Terms and Conditions and other provisions of the Contract and all applicable national and local laws and regulations;
  3. Intervening in any dispute between a Client and any person within the Waterless Beauty Consultant organization and attempting to resolve such disagreements promptly and amicably;
  4. Providing training to ensure that the Product Sales and Business Opportunity meetings hosted by the Waterless Beauty Consultant organization are conducted in accordance with this Agreement and all applicable laws and regulations.
  5. To attempt to resolve any disputes between the Waterless Beauty Consultant, other Waterless Beauty Consultants, and the Waterless Beauty Consultant's organization promptly, and
  6. Inform and educate all Waterless Beauty Consultants that the Waterless Beauty Consultant registers downline Consultants in accordance with Company policies.
- F. Due Diligence of Enroller and Sponsor. Enrollers and Sponsors have a responsibility and special duty of care to ensure that all their activities and actions or inactions do not cause or result in any loss, harm, or embarrassment to anyone within their organization or Company, and therefore must act promptly to remedy any such loss, damage, or degradation. At the time of enrollment, enrollers should ensure that all persons who are enrolling them know exactly who their corresponding enroller will be. Waterless Beauty Consultants should not delegate the registration of a new Waterless Beauty Consultant to their upline or anyone else.
- G. Loss of Sales Organization. If a Waterless Beauty Consultant violates these Company guidelines or other contractual or other applicable law or behaves immorally towards third parties (e.g. in the case of sexual advances or assaults, unethical interference in family relationships), the Company reserves the right to extraordinary termination, whereby the extraordinary termination, except in the case of particularly serious violations, usually only takes place after the Waterless Beauty Consultant, following a warning from the Company, has not taken the necessary actions (e.g. refraining from acting and submitting a declaration of discontinuance which is subject to criminal prosecution) or he again commits the same or a comparable violation. It is expressly pointed out that the Waterless Beauty Consultant will irrevocably lose its entire sales organization in the event of extraordinary termination.
- H. Registering a Preferred Customer. A Waterless Beauty Consultant may also introduce customers to the Company who will sign up as Preferred Customers. A Preferred Customer does not participate in any compensation or bonuses, but a Waterless Beauty Consultant may be compensated under the Compensation Plan for products purchased by the Preferred Customer whom they have introduced to the Company. Waterless Beauty Consultants should know that each Preferred Customer who enrolls as an OTP Preferred Customer:
1. Pay a non-refundable back office setup fee of \$50.00 (plus tax);
  2. Provide the Company with a duly completed Preferred Customer Application Form, with hospitals providing written approval from their Legal or Compliance Department.
  3. Must be of legal age and have full legal capacity at his place of residence.
- I. Preferred customers who want to become a Waterless Beauty Consultant. A Preferred Customer may become a Waterless Beauty Consultant upon presentation of a signed Waterless Beauty Consultant Independent Agreement.

## SECTION 9: PLACEMENT POLICY, LINE SWITCHING, CROSSING AND MOVING PROHIBITED

- A. Initial Placement. At the time a new Waterless Beauty Consultant is enrolled, the enroller may place the new Waterless Beauty Consultant anywhere in its sales organization.
- B. Change of Placement after Registration
1. On or before the 3rd day of the calendar month following the enrollment of a new Waterless Beauty Consultant with the Company, the enroller may, with the consent of the Company, elect the new Waterless Beauty Consultant once.
  2. After the expiration of the above period, a Waterless Beauty Consultant will be definitively placed and the Company will, in principle, not approve requests for a Waterless Beauty Consultant to be re-placed within a Sales Organization.
    - a. Other placement changes are exceptional and require the express written approval of the Company's Special Committee.
    - b. In particular, before approving any change in placement, the Company will consider, among other factors
      - i. Whether the Waterless Beauty Consultant to be transferred has been inactive for at least six months
      - ii. Whether the change will result in a rank up
      - iii. Whether there will be a change in the previous bonus payments
      - iv. Whether a Waterless Beauty Consultant has breached the contract
      - v. The impact of the change on the organization
      - vi. Any other relevant circumstances
- C. Registration of a Former Preferred Customer as a Waterless Beauty Consultant. A Waterless Beauty Consultant can register wholesale customers as a Waterless Beauty Consultant. When a Wholesale Customer becomes a Waterless Beauty Consultant, they are no longer a Wholesale Customer. An Enroller may place a new Waterless Beauty Consultant who was a Wholesale Customer in any position in their organization if the new Waterless Beauty Consultant enrolls at least one Wholesale Customer or Waterless Beauty Consultant with 100 PV in sales after joining as a Waterless Beauty Consultant has and has no existing organization. The placement of the new Waterless Beauty Consultant must be completed on or before the 10th day of the calendar month following the date the requirements set forth in this paragraph were met.
- D. Reassignment of Membership. The Company permits an enroller to change the membership of a Waterless Beauty Consultant (Registeree) once, subject to the Company's consent. Additional membership changes due to extraordinary circumstances may be requested and require the approval of the Company's Special Committee.

E. Cross-Company and cross-line reallocation is prohibited.

1. Cross-Company poaching. Directly or indirectly soliciting, encouraging or influencing (including without limitation using any website for such purpose) another OTP Waterless Beauty Consultant or Client to register with or participate in any other Network Marketing Organization is prohibited. This practice constitutes poaching, even if the actions of the Waterless Beauty Consultant are due to a request from another Waterless Beauty Consultant or client.
2. Cross-Line Relocation. The direct, indirect or attempted solicitation, solicitation, encouragement or effort (including but not limited to the use of any website for this purpose), the registration of an individual or entity that already has a current Consultants with OTP in another line of sponsorship, influencing another line of sponsorship in any way is prohibited. Cross-line placement in this sense also means the registration of a natural or legal person who has been registered as a Consultant of OTP during the last six months, in the case of a Waterless Beauty Consultant with a Silver rank or higher: who has been registered as a Consultant of during the last twelve months OTP was registered.
3. Prohibition. Waterless Beauty Consultant is prohibited from poaching or relocating across companies. The use of a spouse's or relative's name, trade name, alias, assumed name, corporation, partnership, foundation, government ID number or fictitious ID number to circumvent this rule is prohibited.
4. Company Injunctive Relief. The Waterless Beauty Consultants understand that cross-Company poaching or cross-line relocation constitutes an unreasonable and unjustified interference in the contractual relationship between the Company and its Consultants, as well as a detriment to the Company's assets and an unlawful disclosure of the trade secrets of the Company. Waterless Beauty Consultants further understand that breach of this provision would cause the Company immediate and irreparable harm, that the harm to the Company would be greater than the benefit that the Waterless Beauty Consultant could derive from it, and that the Company is entitled to injunctive relief in addition to any other available remedy. The provisions of this section will survive termination of the Agreement. The provisions of this section do not constitute a waiver of any other right or remedy Company may have with respect to use of its Confidential Information or any other breach of contract. In addition, Waterless Beauty Consultants agree that the mention of their name or likeness in any promotional, prospecting, or other solicitation materials of another direct selling Company shall be deemed cross-Company solicitation for a period of one year after the termination of the Agreement.

## SECTION 10: COMPENSATION PLAN IS PART OF THE CONTRACT / CONTENT OF THE COMPENSATION PLAN

The OLIVE TREE PEOPLE Compensation Plan and the guidelines contained therein are also expressly part of the Olive Ambassador contract. The Olive Consultant must always comply with these requirements as amended. By sending the application for the conclusion of the sales partnership to OLIVE TREE PEOPLE, the Olive Consultant assures at the same time that he has taken note of the OLIVE TREE PEOPLE compensation plan and accepts it as part of the contract.

OLIVE TREE PEOPLE has the right to change the Compensation Plan if it is necessary for economic reasons or legal changes. OLIVE TREE PEOPLE will announce changes to the Olive Consultant's back office at least one month before the change be-

comes effective, specifying the future compensation plan change. The Olive Consultant has the right to object to the change or to terminate the contract in text form without observing a notice period for the change to take effect. In the event of an objection, OLIVE TREE PEOPLE is entitled to terminate the contract. Unless the Olive Consultant terminates the Agreement or objects to the change, the changes to the Compensation Plan will be effective as of the date specified in the change notice. OLIVE TREE PEOPLE is obligated to inform the Olive Consultant of the importance of his silence in the change notification made in the back office.

There are two basic ways in which an Olive Consultant earns their bonuses: (1) by receiving a profit margin and (2) by bonuses (also called commission) based on an Olive Consultant's product sales and the sales of other Olives Consultants in his organization are paid.

**Profit margin.** Olive Consultants buy OLIVE TREE PEOPLE products from the Company at purchase price (PP) for resale to end customers and for use as sales aids such as a tasting. The Company proposes a selling price. However, each Olive Ambassador is free to set their own retail price, but the Company recommends a recommended resale price as a guide.

**Bonuses.** Olive Consultants may also earn bonuses based on total sales of products in all markets in which the Company does business. Not all Company products or promotions bring bonuses. All products and promotions that bring a bonus are assigned a personal volume value (PV value).

## A. DEFINITIONS

**Qualified "Leg":** A qualified "Leg" is an enrollee who earns a special rank within a frontline organization of its enroller. For purposes of qualifying a Registrant's ranks, each qualifying portion must be in a separate frontline organization of the Registrant.

**Frontline Organization:** A frontline organization is the organization of an Olive Consultant personally sponsored by an Olive Consultant and their end customers.

**Main Bonus:** The sum of all bonuses paid to an Olive Consultant, excluding the Fast Start Bonus. The main bonus consists of Uni-Level and Team Growth Bonus. The main bonus is paid monthly.

**Organizational Volume (OV):** The sales volume, measured in personal volume, of an Olive Consultant and all other Olive Consultants wholesale and retail customers in the Olive Consultant's organization.

**Personal Volume (PV):** A point value is assigned to each commissionable product sold by OLIVE TREE PEOPLE. An Olive Consultant's Personal Volume is the cumulative point total of products that an Olive Consultant has purchased or sold to their personally enrolled retail customers in a calendar month. Not all products qualify for the PV value. PV does not include products purchased with Product Credit. A product's PV value is stated on the product order form.

**Commissionable Order:** An order for which PV points are awarded and which is placed and timely paid for by a Wellness Consultant, Preferred Customer, or Retail Customer.

**Qualified LRP orders:** A qualifying Loyalty Rewards Program (LRP) order is a single LRP order of 100 PV during the qualifying month for a sponsored Olive Consultant. All qualifying LRP orders must be paid for by credit card in the name of the Olive

Consultant on account or in cash, and will be shipped to the primary address on account. A qualifying LRP order that is returned will result in a reclaim of any unearned but prepaid bonuses.

**Team:** Term used in the “Team Growth” bonus. A team consists of a placement sponsor and all the Olive Consultants, benefit customers and end customers who are organizationally at the first level in the placement sponsor’s organization.

**Team Volume (TV):** The combined personal Team Growth Volume of all members of a team. A term used in the “Team Growth Bonus”.

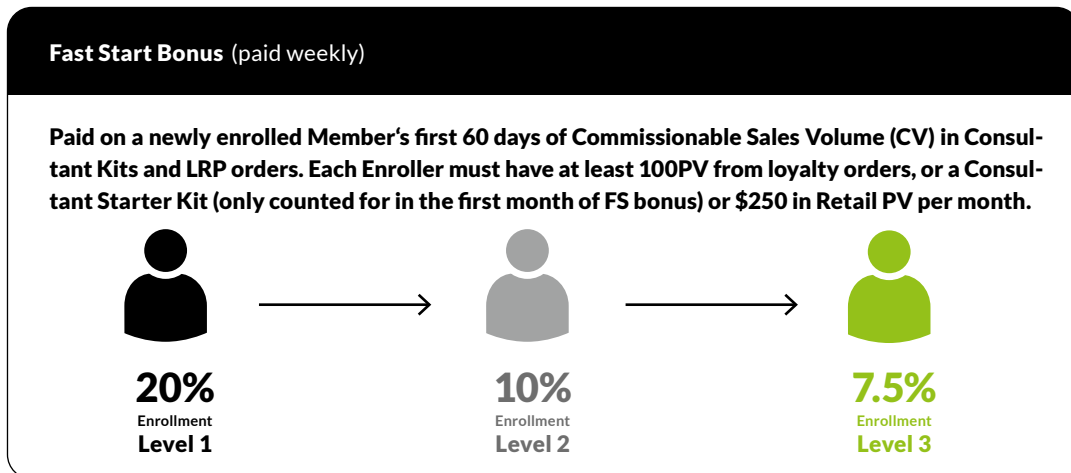
**Enterprise Value:** Enterprise Value is the aggregate amount of Personal Volume purchased by all Olive Consultants currently doing business with OLIVE TREE PEOPLE, including Olive Consultants’ own purchases, purchases from Advantage Customers, and purchases from End Customers.

**B. Bonuses:** Olive Consultant compensation is designed to reward the continued efforts of everyone, from new Olive Ambassadors to veteran professional Olive Consultants. OLIVE TREE PEOPLE Bonuses include the Retail Profit, Fast Start, Team Growth and Uni-Level bonuses.

## 1. FAST-START-BONUS – REGISTER BASIS BONUS

**Overview.** A Fast Start Bonus will be paid to enrollers weekly for all consultant kit and Lrp orders (CV) made to a Consultant within their first sixty (60) days. The bonus will be paid to the first, second and third level enrollers of the new Olive Consultant. The sponsor will first receive twenty (20) percent on the first level, ten (10) percent from the second level and seven point five (7.5) percent from the third level. Level 4-7 will be paid for Standard orders (CV) in monthly unilevel during Fast Start period.

To be eligible for the Fast Start Bonus, each enroller must (1) have a Loyalty Rewards Program (LRP) order at a minimum of 100 PV for the month, or a Consultant Starter Kit (only counted for in the first month of FS bonus) or \$250 in Retail PV. Un-



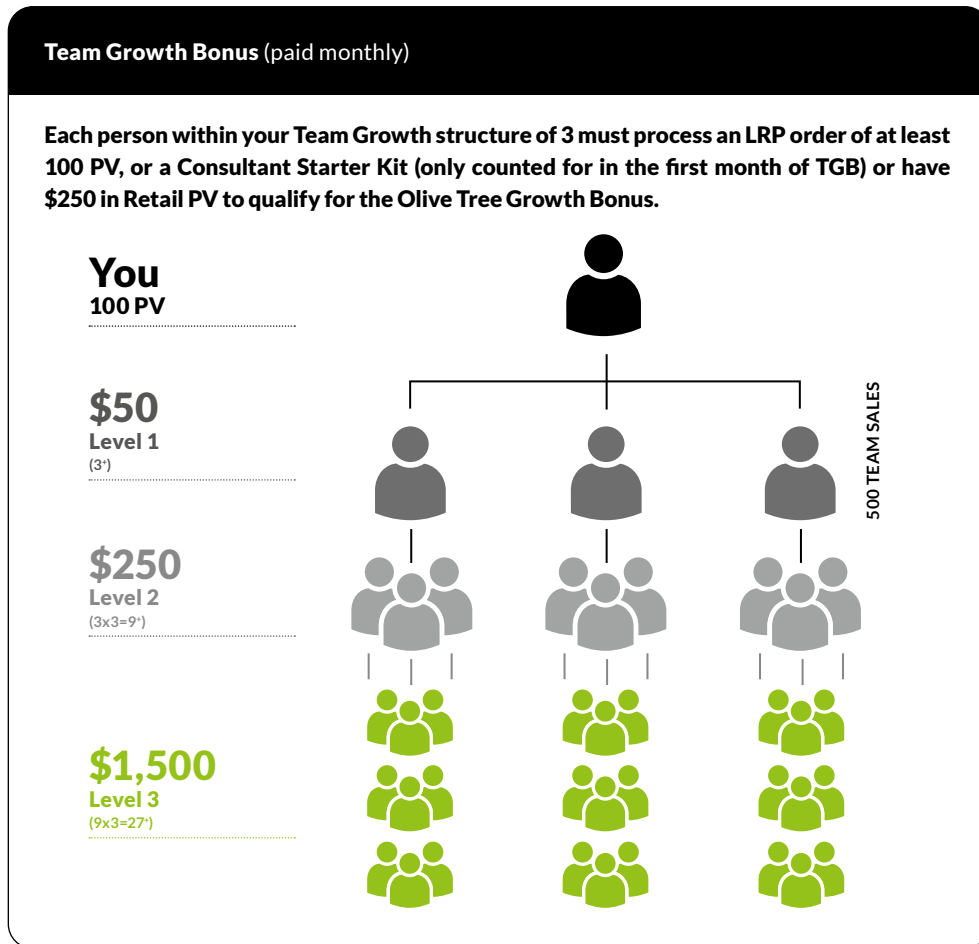
earned bonuses do not transfer to other registrants. The previous week’s bonus (Monday-Sunday) is calculated and set on the Wednesday of each week. Payouts are made weekly.

## 2. TEAM GROWTH BONUS – A SPONSOR BASED BONUS



**Overview.** The “Team Growth Bonus” is paid monthly to enrollers. The Team Growth Bonus rewards are \$50, \$250 or \$1,500. Any Sponsor with a Qualifying LRP Order, or a Consultant Starter Kit (only counted for in the first month of TGB) or \$250 in Retail PV is eligible to receive this bonus.

**The “Team Growth Bonus”- of \$50.** To qualify for the \$50 bonus, an Olive Consultant must place a qualifying LRP order, or a Consultant Starter Kit (only counted for in the first month of TGB) or have \$250 in Retail PV. The Olive Consultant must achieve



ve a minimum Team Volume (TV) with each member qualifying with LRP orders, or a Consultant Starter Kit (only counted for in the first month of TGB) or \$250 in Retail PV. The group of 3 must have combined \$500 in sales.

**The “Team Growth Bonus” of \$250.** In order to qualify for the \$250 bonus, an Olive Consultant must first qualify for the \$50 bonus. The three sponsored (unilevel) Olive Consultants who helped them qualify for the \$50 bonus must also qualify for the \$50 bonus.

**The “Team Growth Bonus” of \$1,500.** To qualify for the \$1,500 bonus, an Olive Consultant must first qualify for the \$250 bonus. The three personally sponsored (unilevel) Olive Consultants who helped them qualify for the \$250 bonus must also qualify for the \$250 bonus.

**Additional “Team Growth Bonus” structures.** Olive Consultants may have multiple Team Growth Bonus structures. When

an Olive Consultant completes a \$1,500 Team Growth Bonus structure, they may qualify to be paid in an additional structures based on rank titles. A structure is considered complete when \$1800 bonus is paid for the group. The personally sponsored Olive Consultants and volume of sales counted in the first bonus structure cannot be used to qualify a sponsor for additional bonus structures.

### 3. UNI-LEVEL BONUS – BONUS OF ORGANIZATION

**Overview.** The Uni-Level Bonus is paid monthly to an Olive Consultant. This bonus is based on the monthly sales volume of the Olive Consultant’s organization. A particular month’s Uni-Level Bonus depends on the monthly rank for which the Olive Consultant has qualified and the monthly sales volume of the Olive Consultant’s organization. The necessary rank and organization volume requirement must be met each month. By compression, all Olive Consultants are paid essentially all varsity levels. Purchases on which a Fast Start Bonus is paid are included but won’t be paid on Uni-Level Bonus.

**How to get ranks.** Each rank has minimum Personal Volume (PV) and Organization Volume (OV) requirements each month.

Unilevel Organization Bonus (paid monthly on compressed organization volume)														
By rank paid	Olive	Green Olive	Violet Olive	Silver Olive	Gold Olive	Black Olive	Olive Star	Green Olive Star	Violet Olive Star	Silver Olive Star	Gold Olive Star	Black Olive Star	Executive Olive Star	President Olive Star
Monthly PV	50	100	100	100	100	100	100	100	100	100	100	100	100	100
Monthly OV	*	\$500	\$1,000	\$2,000	\$3,000	\$5,000	\$10,000	\$15,000	\$30,000	\$50,000	\$100,000	\$175,000	\$250,000	\$500,000
Demands on legs	*	*	*	*	*	*	2 Silver Olive	1 Black Olive + 2 Silver Olive	1 Black Olive + 2 Gold Olive	1 Olive Star + 2 Black Olive	1 Green Olive Star + 2 Black Olive	1 Violet Olive Star + 2 Olive Star	1 Gold Olive Star + 2 Green Star	1 Black Olive Star + 2 Violet Star
TGB-Limit per Title	1	1	1	1	1	2	2	2	3	3	4	4	5	6
Level 1	-	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Level 2		5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 3			5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 4				5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 5					5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 6						5%	5%	5%	5%	5%	5%	5%	5%	5%
Level 7							5%	5%	5%	5%	5%	5%	5%	5%
Level 8													2%	2%
Level 9														1%
Dynamic Compression		↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑	↑

**Leg cap limit for rank achievement:** No more than 70% of org volume can be contributed from one leg to be counted towards rank recognition. (Olive Star to Black Olive Star). No more than 60% and 50% of org volume can be contributed from one leg to be counted towards rank recognition. (Executive Olive Star and President Olive Star).

For example, you need 500 OV of which a min. of 100 needs to be PV for the rank of Green Olive. All ranks, except Olive Consultant, require a minimum order of 100 PV.

**Ranks and Levels.** Each rank corresponds to the number of organizational levels from which the Olive Consultant can receive compensation, see Figure 3. For example, the rank “Silver Olive” receives compensation from four levels. Generally, as an Olive Consultant advances in rank, they receive credit from all lower levels of their organization until they achieve Olive Star rank. All ranks from Olive Star to Black Olive Star receive compensation from a minimum of seven (7) tiers.

The percentage of OV paid to an Olive Consultant varies from tier to tier. As shown in Figure 3, the first level brings ten (10) percent and the percentage increases up to five (5) percent in the fifth level and three (3) percent sixth level. The bonus cumulates the tiers of pay, so a Silver Olive earns ten (10) percent on the first tier, plus five (5) percent on the second, and five (5) percent for tiers three and four.

**Qualified Legs and Rank Titles.** To achieve certain ranks, an Olive Consultant must have qualifying legs in their frontline organization, see Figure 3. For example, an Olive Consultant wishing to become an “Olive Star” must have three “Black Olive” legs.

**Requirements for Tiers 6 and 7.** To be eligible for bonuses or other rewards at Tiers 6 and 7, an Olive Consultant must (1) be active and (2) have a new person in their business at least every three (3) months to register.

**Compression.** The OLIVE TREE PEOPLE Compensation Plan maximizes payments to Olive Consultants through compression. If the rank of Olive Consultant does not qualify the Olive Consultant to receive a bonus at a level related to higher ranks, the bonus will carry over and be paid to higher ranked Olive Consultants who are eligible for the higher level bonus.

#### 4. BLACK OLIVE STAR REVENUE SHARE PROGRAM (PAID MONTHLY)

1% of OTP’s monthly revenue is evenly divided and distributed amongst every consultant that has reached Black Olive Star level (or above), every month.

#### 5. THE CUSTOMER LOYALTY REWARDS PROGRAM (LRP)

**Overview.** Olive Consultant and Preferred Customers can secure monthly shipments of OLIVE TREE PEOPLE products by enrolling in the Customer Loyalty Rewards Program (LRP) after the first month of their enrollment. The customer loyalty program thus makes the manual placement of monthly orders obsolete.

**Purchase of Product Credits.** If an Olive Consultant or Preferred Customer’s LRP order is at least 50 PV per month, the Olive Consultant or Preferred Customer will be eligible to receive Product Credit each month.

**Redeeming Product Credits.** After the Olive Consultant or Preferred Customer has participated in the LRP for sixty (60) days, they may redeem Product Credits to purchase full PV products. LRP product credits can be claimed for 12 months from the date of issue. After that they expire. Credits can be cleared from [customerservice@olivetreepeople.com](mailto:customerservice@olivetreepeople.com) for a fee of \$2.00. Products purchased with LRP credit may not be resold and are also excluded from exchange/return. Redeemed LRP orders do not receive PV points and cannot be combined with other product orders. Product credits cannot be claimed for cash and are non-transferrable. As soon as participation in the LRP program is terminated, all product credits are also deleted. The very first LRP order can only be canceled by calling the Company on the phone. Any additional LRP order can be canceled online.

**Acting on behalf of another.** No Olive Consultant may place an LRP order on behalf of that other participating Olive Ambassador without the prior written permission of a participating Olive Consultant or a Preferred Customer. This written permission must be received by the Company before the order is placed. Such an order must be paid for by the participating Olive Consultant or customer and shipped to the primary address on the participant's account.

## 6. SPECIAL OR PROMO BONUSES OR REWARDS

Olive Consultants and Preferred Customers may be offered special bonuses or promotions from time to time. Products offered in this manner may (or may not) have PV value and may not qualify a Waterless Beauty Consultant for other bonuses as a result of ordering such products. The details of each of these offers can be found at [olivetreepeople.com](http://olivetreepeople.com)

## 7. GENERAL AND MISCELLANEOUS PROVISIONS

**No compensation just for registering another person.** While Olive Consultants are paid for product sales, they are not paid just for enrolling or registering other Olive Consultants.

**No guarantee of payment.** As with many other business opportunities, the compensation generated by Olive Consultants varies significantly. The cost of becoming an Olive Consultant is very low. People become Olive Consultants for different reasons. Some join this business model to improve their skills or to be able to run and manage their own business. Others choose to become Olive Consultants but, for whatever reason, never buy products from the Company.

And as a result, many Olive Consultants never qualify for bonuses. Olive Consultant is not guaranteed any particular income, prize level or achievement. An Olive Consultant's profit and success comes solely from the successful sale of products and the sales of other Olive Consultants within their organization. Every success is essentially based on the effort and personal efforts of each Olive Consultant.

**Expenditure.** Generating meaningful compensation as an Olive Consultant requires significant investment of time, effort and commitment. This is not a get-rich-quick program. There are also no guarantees of financial success.

**Consideration for the bonus of a period.** An individual must become an Olive Consultant on at least the last day of a bonus period to remain eligible for that period's bonus and qualification calculations. All product orders must be completed and payment received on the last day of the bonus period in order to be paid for that period or to qualify for a rank.

**Prerequisites for Bonus Payments.** Olive Consultants are only eligible for a Bonus if they meet all of the requirements of the OLIVE TREE PEOPLE Compensation Plan and do not breach or fail to perform any material obligation of this Agreement.

**Bonus payment.** A bonus is paid to the lead applicant under the Olive Consultants Agreement.

**Corporate Credit Redemption.** If a product credit is issued for products ordered but unavailable in a month, the Personal Volume for those products will only be included in bonus and rank qualification calculations in the month in which such credit is redeemed.

**Retention of documents.** Each Olive Consultant receiving a bonus agrees to retain for a minimum of ten (10) years records demonstrating resale of products to retail customers in the month for which the bonus was paid. The Olive Consultant agrees to make these documents available to the Company upon request. Failure to do so constitutes a breach of contract and entitles

the Company to recover any bonuses paid for any orders in a month that cannot be supported by relevant sales documentation.

**Recovery of bonuses.** In addition to any withdrawal rights otherwise provided for in this Agreement, the Company reserves the right to withdraw any Bonuses paid to the Olive Consultant for Products that:

1. returned under the Company's Returns Policy;
2. returned to the Company under any applicable law (e.g. statutory right of withdrawal);
3. was returned in connection with an incident of culpable misconduct on the part of the Olive Consultant, including, but not limited to, unauthorized, unlawful, or misleading representations regarding an offer or sale of any product or service or an OLIVE TREE PEOPLE sales opportunity;
4. purchased in a quantity that disproportionately exceeds the quantity that can probably also be sold and/or consumed in a reasonable time frame.

**Payment of Reclaimed Bonuses.** As part of the payments of waived Bonuses as set forth in this paragraph, the Company may, in its sole discretion, require an affected Olive Consultant to pay directly or offset the amount of the waived Bonuses against any current or future Bonuses.

**Fees for returned bonus payments.** If the Olive Consultant has not received a bonus payment, e.g. due to providing incorrect bank transfer details, they can ask the Company to make this bonus payment again. The Company may charge a reasonable processing fee for this. In addition, the Company may, at its sole discretion, require the issuing financial institution to stop the original payment, in which case the Olive Consultant must reimburse the Company for the costs and expenses incurred in doing so. If the error that led to a returned bonus payment was caused by the Company, no additional costs will be charged to the Olive Consultant for the new transfer.

**Impact of placement changes.** Placement changes made pursuant to Section 9 may affect the timing of bonus payments.

## SECTION 11: PRODUCT CLAIMS

- A. **Product Management Standards.** Products are regulated according to their legal classifications, e.g., as food, dietary supplement or cosmetic. Which regulatory authority is responsible depends on the type of product.
- B. **Advertising Standards.** Similarly, product advertising is regulated depending on the type of product. Importantly, a product that is classified for use in one way is not advertised in another way. Example: A product intended as a dietary supplement cannot be advertised or marketed as a medicinal product that can be used to treat or prevent a specific disease. In addition, representations of potential business opportunities, including earning potential, must be truthful and not misleading, which means that claims of potential to achieve a wealthy lifestyle, career-level income, or significantly high income must be made, are misleading when the OTP Waterless Beauty Consultants typically do not achieve such results.
- C. **Permissible Claims.** OTP products are not medicinal products. No medical claims may be made about OTP products. OTP products may also not be presented as medical in any way. A Waterless Beauty Consultant (Independent Waterless Beauty Consultant) can provide evidence that OTP products are safe to use and that:
  1. They are specifically formulated to support well-being/maintain a healthy lifestyle, and
  2. are intended to improve personal appearance.

- D. No Cure or Drug or Medical Claims. A Waterless Beauty Consultant may not make any medical claim for any product, nor specifically prescribe any product or present it as suitable for any particular medical condition, as such presentation implies that these products are medicinal in nature rather than dietary supplements or cosmetics. Under no circumstances should these products be associated with drugs or remedies prescribed for the treatment of specific diseases. Nor may the products be associated with the claim that they alleviate the symptoms of illness or prevent illness and/or (health) disorders. Due to strict regulations regarding the advertising of dietary supplements and cosmetics, only the promotional material offered on the OTP website or in the back office or elsewhere should be used. It should be recommended to any client who is currently under medical treatment to check with their doctor before making any dietary changes. No statements regarding the safety of the products, their therapeutic effects or curative effects may be made within the scope of the activity and advertising unless these are officially approved by OTP and/or are reflected in OTP's official advertising material. In addition, Waterless Beauty Consultants may not suggest that OTP products can be used to treat, prevent, diagnose or cure any disease. OTP also prohibits any statement regarding the medical effects of OTP products. For example, the Waterless Beauty Consultant may not claim that OTP's products help in the treatment of diabetes, heart disease, cancer, or other diseases. No scientific publications, literature or testimonies written by doctors or scientists in relation to OTP products or their ingredients may be used or published. While the Company makes every effort to achieve full compliance, a Waterless Beauty Consultant should never claim or infer that any product is approved by any government or regulatory agency.
- E. Disclosure. When promoting OTP or OTP products, a Waterless Beauty Consultant must disclose the fact that they are an independent OTP Waterless Beauty Consultant who receives bonuses from the Company for doing so.

## SECTION 12: ADVERTISING AND USE OF COMPANY INTELLECTUAL PROPERTY RIGHTS

- A. OTP Intellectual Property. The intellectual property of OTP, including its trademarks, business names, work titles, marks and other intellectual property rights and the content of its publications are valuable assets. By using OTP's intellectual property, Waterless Beauty Consultant acknowledges and agrees that there is significant assets and goodwill associated with OTP's intellectual property and further agrees that all intellectual property rights remain with the Company and all goodwill relating thereto remains exclusive belongs to the Company. Furthermore, Waterless Beauty Consultants recognize that OTP's intellectual property has additional meaning in the eyes of the public. Intellectual property is protected by national and international copyright and trademark law and other statutory property rights. Intellectual property is protected in all forms, including media and technology now existing or developed in the future.

All content contained in Company-approved sales aids and on its official website, including text, graphics, logos, audio clips, music, lyrics, video, photos, software, and other information is or becomes owned by OTP and/or its affiliates or partners used by OTP in the context of licensing by third parties. Because OTP does not own all Content, OTP will not license any Content to a Waterless Beauty Consultant for use that it does not own. The intellectual property may not be duplicated, disseminated, made publicly accessible or edited or used in any other way beyond the contractually granted right of use defined and permitted here by the Waterless Beauty Consultant without the prior express written consent of OTP (in future, for reasons of simplification, there may be talk of "use", but it is always reproduced, distributed, made publicly available or processed by this).

- B. Definitions.

1. Apparel: Apparel includes t-shirts, hats, and other apparel.
2. Permitted Content: Permitted Content includes only the content consisting of the brochure, flyers, images, presentations and videos included in the section of <http://otp....>, <http://otp....>, listed or published, related to the local market

in which a Waterless Beauty Consultant is marketing products or recruiting other Waterless Beauty Consultants to market products.

3. **Cinematic Media:** Live or pre-recorded electronic channels that deliver news, entertainment, education, data, or promotional messages, including broadcast and narrowcasting media such as TV, radio, film and audio or video. Cinematic media does not refer to computer and telephone-based media.
4. **Company Approved Sales Aids:** Marketing materials approved for use in a specific Local Market identified in writing by the Company.
5. **Company Produced Sales Aids:** Company Produced Sales Aids means marketing materials created and distributed by the Company for use in a specific local market identified in writing by the Company.
6. **Computer and Telephone-based Media:** The transmission or display of any Content via email, static websites, or social media, as well as telephone or smartphone-based transmission or display.
7. **Content:** Content refers to any text, graphic, logo, audio clip, video, photograph, software, or intellectual property of OTP contained in the guide(s) prepared by Company and located at <http://otp....> , <http://otp.....>
8. **OTP Intellectual Property:** OTP Intellectual Property means all intellectual property owned or otherwise owned by OTP Holdings or an affiliate or claiming a right to exploit, including, but not limited to, trademarks, trade names, work titles, marks and other intellectual property rights, regardless of whether they are registered with the responsible government agencies or not.
9. **Media-Specific Policies:** Media-Specific Policies are local market-specific policies that set usage standards of permitted content for a particular distribution format. Media-specific guidelines must be followed and can be viewed at <http://otp....> Merchandise includes sales aids intended for sale or sale to third parties.
10. **Merchandise:** Any item subject to OTP's intellectual property that is not an apparel, cinematic media, Company-approved sales aids, Company-created sales aids, and computer and telephone-based media.
11. **Sales Aid:** Any material, whether physical or digital, used in an offer or sale of Company products, attracting future Waterless Beauty Consultants or customers, or training Waterless Beauty Consultants, and relating to the Company, the Company's products, the Compensation Plan, or any intellectual property of OTP.
12. **Social Networks:** The use of web-based and mobile technologies to make communication an interactive dialogue.

**C. Permitted Uses.**

1. Subject to the following terms of use, Waterless Beauty Consultants are entitled to use the permitted content for:
  - a. Creation and use of sales aids.
  - b. Creation and use of a computer or telephone-based medium.
2. Subject to the Terms of Use, Waterless Beauty Consultants may, with written permission from the Company, use the Permitted Content for the following: Apparel, Cinematic Media, Use on Buildings and Signs, and Merchandise in accordance with the Media-Specific Policies contained in [otp....](http://otp....) are available.

D. Terms of Use. Permitted Uses of Permitted Content are conditioned on:

1. Media-Specific Policies. Permitted Content may only be used for apparel, cinematic media, on buildings and signs and merchandise, in accordance with the media-specific guidelines for the specific local market in which the Waterless Beauty Consultant does business located at <http://otp...>
2. Context and truthful statements. Waterless Beauty Consultants may not use Permitted Content in violation of Company policy, other contractual requirements, or outside of the granted right to use it, or use modifications, additional text, or other content to alter the original meaning of the Permitted Content. All content must be truthful and accurate.
3. Claims and Representation Regarding OTP Products. Waterless Beauty Consultants may not use any content that violates applicable law or morality, including any laws applicable to the regulation of product claims such as food law, cosmetics law, or competition law. OTP also does not support such use.
4. Variants or abbreviations. Waterless Beauty Consultants may not use any variations of the Permitted Content for any purpose whatsoever, including phonetic equivalents, foreign language equivalents, or abbreviations. The following examples are unacceptable deviations: "OTP" or.....
5. Mottos and advertising slogans. Waterless Beauty Consultants may not supplement, shorten, or change Company mottos or advertising slogans in any way.
6. Denigration or offensive use. Waterless Beauty Consultants may not use the Permitted Content in any way that is disparaging, derogatory, abusive, or harmful.
7. Best light. All Permitted Content must be presented in the best possible light, in a manner or context that positively reflects the Company and its products.
8. Advocacy or Sponsorship of a Third Party. Waterless Beauty Consultants may not use the Permitted Content in any manner that would suggest the Company's affiliation with or endorsement, sponsorship or endorsement of any product or service of any third party, or for any religious or political reason or issue.
9. Use in computer and telephone-based media. The following paragraphs refer to computer and telephone-based media.
  - a. Headings and titles. Except on a personalized OTP website or an OTP-approved certified website, the name "OTP", trademark, work title, mark, or other proprietary right of OTP may not be used in any title, subtitle or caption of any computer or telephone-based media. Facebook and Instagram pages as well as Pinterest contacts, blogs, YouTube channels or other social media sites or chat rooms (e.g., WhatsApp or Snapchat) bearing the name OTP or a trademark, work title, identifier or other property right of OTP are not permitted.
  - b. Websites. OTP provides all its Waterless Beauty Consultants with an approved personalized website. To set up his personalized OTP website, the Waterless Beauty Consultant registers into olivetreepeople „Join us“ and then follows the instructions received via email after enrollment to the back-end. The use, production and distribution of their own websites (as well as their own sales documents, sales concepts, price lists, their own product brochures, video content, audio content or other independently created sales or advertising material) and the creation of their own other websites, including professional social media business appearances as well as changes to the personalized websites made available to the Waterless Beauty Consultant, are only permitted with the pri-



or express written consent of OTP, which is at the discretion of OTP and can only be granted if the OTP business concepts as well as the contractual and legal requirements are observed at all. Furthermore, in particular, OTP Waterless Beauty Consultants may only use one additional independent proprietary website that uses or displays OTP trademarks or branding (OTP name, images or logos, OTP product names or images, etc.), provided that such website does not contain any Products or other claims that violate local laws, falsely or misleadingly represent OTP Products, infringe the intellectual property of any third party, violate any contractual provision of OTP, or possess any other material that OTP, in its sole discretion, deems objectionable. The URL for an independent website must not contain any trademarks, trade names, work titles or other identifiers or any intellectual property of OTP.

- c. Social networks. In the event that the Waterless Beauty Consultant advertises OTP's products in other internet media, such as social networks (e.g., Facebook or Instagram), online blogs or chat rooms (e.g., WhatsApp or Snapchat), he may only ever use the official OTP advertising claims. In addition, Waterless Beauty Consultants with a non-professional presence (for professional presence - see b. above) on social media, whether personal or business, should regularly review the content and any claims or statements made in the comments or other third-party areas and delete any that violate applicable law or morality or are otherwise untrue, misleading or incomplete. Facebook and Instagram pages as well as Pinterest contacts, blogs, YouTube channels or other social media channels or chat rooms (e.g., WhatsApp or Snapchat) with the name OTP or a trademark, work title, label or other property right of OTP are not allowed.
- d. Disclaimer. With the exception of the personalized OTP website, each individual internet or social media appearance, as well as any other advertising material, must state in a clearly visible and prominent manner that it was not written by OTP or any of its affiliates or on behalf of OTP and that users are fully responsible for the entire content.
- e. Domain names. Waterless Beauty Consultants may not use the name of OTP or any trademark, work title, identifier, or other proprietary right of OTP in any domain name or subdomain without the Company's express written consent. Such written consent is subject to Company's absolute discretion and such use must take the form of a written user agreement signed with Company. Examples of unacceptable domain names are: "olivetreepople.com" "otpcorporate.com" "otpcorporate.com," etc. Waterless Beauty Consultants should consult the media-specific guidelines for their regional market.
- f. Internet advertising spaces. It is also prohibited to use the name of OTP or a trademark, a work title, identifier or other property right of OTP in so-called search engine advertising (e.g., Google AdWords), sponsored links advertising, Internet advertising, space marketing or comparable online advertising activities use.
- g. Language of the privacy policy. Waterless Beauty Consultants who operate their own website for their business must have a written privacy policy consistent with the Privacy Policy, how, in particular, to comply with the GDPR, including specifying the purpose for which any information collected on the website will be used and an explanation of how this information will be protected from resale or use by others. The Waterless Beauty Consultant's obligations with regard to the processing of personal data in the course of its activities as a Waterless Beauty Consultant are described in Section 17 below.
- h. Ban on spam. Waterless Beauty Consultants may not send spam e-mails or other unsolicited electronic messages such as SMS, WhatsApp, Telegram or Facebook messages (e-mail messages in the future). Spamming includes, but is not necessarily limited to: (1) sending unsolicited email messages containing email or web addresses from a Waterless Beauty Consultant's account to online users; (2) posting messages using the Waterless Beauty Consultant's service address in news groups unrelated to the Waterless Beauty Consultant's products; (3) Falsely "sourced" in an email message or news group posting with the Waterless Beauty Consultant's service address

to make it appear that the message originally came from the Company or its Waterless Beauty Consultant network ; (4) Sending unsolicited emails or facsimiles to lists of individuals who are not within the Waterless Beauty Consultant's organization or with whom the Waterless Beauty Consultant has not previously had business or personal contact. All e-mails related to the Company may only be sent to the Waterless Beauty Consultants within the organization of the respective Waterless Beauty Consultant. Emails must not contain false representations, income claims or testimonials.

10. Proper Use of Trademarks / Prohibition on Registering Trademarks. Waterless Beauty Consultants must correctly use the permitted content of OTP's intellectual property as follows: Trademarks are adjectives used to qualify nouns. The noun is the general product name or name of the service. In their adjective form, marks may not be used in the plural or possessive form. Correct: "You should buy two bottles of Zendocrine." Incorrect: "You should buy two Zendocrines." It is also forbidden to register your own trademarks, work titles or other property rights that may be registered or otherwise protected in another country/area, a trademark, product designation, work title or business designation of OTP.

11. Use of Permitted Content.

Within the credit notices area of a sales aid, Waterless Beauty Consultant's personal website or social network, Waterless Beauty Consultants must include a statement that the Permitted Content is owned by OTP. Here are the correct formats for marks: is a registered trademark of Olive Tree People Inc.

Waterless Beauty Consultants may not claim (or use indicia such as the ® or "TM" mark) in Permitted Content distributed in a country that OTP owns a registered trademark if the mark so identified is not registered in that country as a trademark is registered.

#### E. Recognition and Protection of Rights

1. Recognition of Rights. Waterless Beauty Consultant agree that the entire permitted Content is owned solely by OTP or licensed to Oliveda. Except for the limited rights of use granted in this Agreement for the duration of the Agreement, Waterless Beauty Consultant agree that the Company hereby assigns all beneficial ownership interest in all copyright or other intellectual property rights such as trademarks, presentational, advertising, training and film materials, product labels etc. (including the photographs) as well as all associated intellectual property rights. Waterless Beauty Consultants agree to assist OTP in protecting and enforcing its rights intellectual property at the request of the Company. All content protected by copyright may not be reproduced, distributed, made publicly accessible or edited in whole or in part via the contractually granted right of use by the Waterless Beauty Consultant without the prior express written consent of the Company.
2. Consent to Protection. Waterless Beauty Consultants agree to assist OTP to the extent necessary to obtain any protection or protect any of the Company's rights in the Permitted Content.
3. Assignment. Waterless Beauty Consultant agrees that nothing in this Agreement shall be construed as an assignment or grant of any right, title, or interest in or to the Content or Permitted Content to Waterless Beauty Consultant. Further, it is acknowledged that all related rights are reserved by Company, except for the limited licensed right to use the Permitted Content as expressly set forth in this Agreement. Waterless Beauty Consultant agrees that upon termination or other termination of the Agreement, Waterless Beauty Consultant shall be deemed to own all the OTP Intellectual Property obtained through Waterless Beauty Consultant or with which Waterless Beauty Consultant in pursuit of any hereby Covered Efforts have transferred and assigned to the Company. Furthermore, Waterless Beauty Consultants agree to perform any instrument requested by the Company to achieve or confirm the foregoing. Any such assignment, transfer or transfer shall not involve any consideration other than the Common Covenant and the

considerations of this Agreement.

4. Consent to use of own content photographic and audio-visual material, use of recordings of materials and presentations.
  - a. The Waterless Beauty Consultant grants the Company the right, free of charge, to freely use/capture and/or record any content and/or photographic and/or audio-visual material created by him containing his likeness, voice recordings or statements and quotations from him in the course of his function as Waterless Beauty Consultant. In this respect, the Waterless Beauty Consultant expressly agrees to the publication, use, duplication and modification of the content, quotations, or recordings created for the Company or its activity by submitting the Waterless Beauty Consultant application and acknowledging these Company guidelines.
  - b. The Waterless Beauty Consultant is not permitted to make audio, video or other recordings of Company-sponsored events, conference calls, speeches, or meetings for sale, personal or business use. A Waterless Beauty Consultant shall also not record, prepare, or compile any audio or video presentation or recording of any Company event, speech, conference call or meeting without the prior written consent of the Company.

5. Termination.

- a. Waterless Beauty Consultant may not revoke or terminate the rights granted to the Company in Section E.
- b. The rights of a Waterless Beauty Consultant granted in this contract can be terminated extraordinarily by the Company if there is an important reason for termination. An important reason for termination by OTP is also a breach of one of the contractual or legal obligations, if the Waterless Beauty Consultant does not fulfill his obligation to rectify a warning from OTP in a timely manner or if he does so again at a later date after the breach of duty has been rectified the same or a comparable violation. In the event of a particularly serious violation of contractual or statutory law, OTP shall be entitled to do so without prior warning.

Furthermore, there is an extraordinary reason for termination for each party if insolvency proceedings have been opened against the other party, or the opening has been rejected due to lack of assets, or the other party is otherwise insolvent, or has given an affidavit of insolvency as part of the enforcement. The right to extraordinary termination exists without prejudice to further claims.

- c. In the event of termination of the Waterless Beauty Consultant Agreement for any reason whatsoever, the Waterless Beauty Consultant shall immediately cease all use of the Permitted Content and shall thereafter not use any intellectual property similar thereto. Termination of the Waterless Beauty Consultant Agreement pursuant to the provisions of this Section 12 is without prejudice to any other rights Company may have against the Waterless Beauty Consultant.
6. Rights are personal. All rights and obligations under this section are the personal rights of Waterless Beauty Consultant. The Waterless Beauty Consultant may not be assigned, pledged, sub-licensed or otherwise encumbered or treated in any way by the Waterless Beauty Consultant or by operation of law without the written consent of the Company, which consent shall be in the sole and exclusive discretion of the Company, except as expressly provided for mandatory applicable law.
  7. Remedies. Each Waterless Beauty Consultant recognizes and agrees that compliance with these Company policies is necessary to protect the Company's goodwill and other proprietary interests. Accordingly, each Waterless Beauty Consultant agrees that in the event of a breach hereof:

- a. The Company is entitled to a criminal injunctive relief;
- b. Further, Waterless Beauty Consultant acknowledges and agrees that any breach of this rule will cause immediate and irreparable harm to the Company, and failure to issue a cease-and-desist letter under penalty of law will entitle the Company to seek an injunction. In addition, the Company is also entitled to assert claims for damages in the event of a particularly serious violation or a repeated violation of the extraordinary termination of the sales partnership.

F. Additional Promotional Terms

1. Waterless Beauty Consultants are not permitted to answer a telephone call with "OTP" or to indicate that they are acting on behalf of, or otherwise represent, the Company or in any role other than that of an Independent Waterless Beauty Consultant.
2. Special Advertising Policies
  - Sales and marketing actions must not fake commissions that are to be understood as a "head bonus" or other commission in connection with the mere recruitment of a new Waterless Beauty Consultant or otherwise take actions that give the impression that the advertised distribution system is an illegal distribution system, namely is an illegal progressive Ponzi scheme or pyramid scheme or any other fraudulent distribution system. The impression that the purchase of goods is necessary for a Waterless Beauty Consultants to work for OTP should not be conveyed.
  - Sales and marketing activities must not be aimed at minors or persons with no business experience and under no circumstances use their age, illness, or limited ability to understand to induce consumers to conclude a contract. In the case of contacts with so-called socially disadvantaged or foreign-language population groups, the Waterless Beauty Consultants will take due account of their financial ability and their ability to understand and understand the language and, in particular, refrain from anything that could cause the members of such groups to place orders that are not appropriate to their circumstances.
  - No sales and marketing activities may be carried out that are inappropriate, illegal, or unsafe or that put undue pressure on the selected consumers.
  - Waterless Beauty Consultants will only refer to a letter of recommendation, test result, reference, or other person for business purposes towards the consumer if they are officially authorized by both the referrer and OTP and these are accurate and not outdated. In addition, letters of recommendation, tests and personal references must always be related to the intended purpose.
  - The consumer will not be prompted to purchase goods by dubious and/or misleading promises or by promises of special benefits if these benefits are linked to future, uncertain successes. The Waterless Beauty Consultants will refrain from anything that could lead the consumer to accept the offer made solely to do the provider a personal favor, to end an unwanted conversation or to enjoy an advantage that is not the subject of the offer or to show appreciation for the granting of such an advantage.
  - A Wellness Consultant may not claim that the Compensation Plan or OTP's merchandise is approved or licensed or endorsed by any governmental agency or recognized as legal by any law firm.
3. No advertisement may imply that there is a vacancy at OTP.

4. No specific income may be promised.
5. The Waterless Beauty Consultant is not permitted to respond to press inquiries about OTP, its merchandise, the OTP Compensation Plan, or any other OTP service. The Waterless Beauty Consultant is required to promptly refer all press inquiries to the Company's Head of Marketing Communications.
6. Upon request, any sales aid or medium prepared, caused by or disseminated by Waterless Beauty Consultant that also contains any OTP Intellectual Property or Content must be promptly provided to Company. Waterless Beauty Consultants must keep a copy of any sales aids or other promotional materials they have distributed for five (5) years from the last date of their distribution.
7. The Waterless Beauty Consultant will provide OTP in the event of any claim by a third party for breach of any duty that may arise out of or in connection with the creation and use of any intellectual property of another or the Company, including any claims of defamation or untrue allegations, as well as due to a breach of one of the contractual obligations or any other breach of applicable law by the Waterless Beauty Consultants, released from liability at the first request of OTP. In particular, the Waterless Beauty Consultants undertakes to assume all costs, in particular, legal, court, and damage compensation costs, which OTP incurs in this context. The aforementioned exemption from liability also applies to employees, vicarious agents and contractual partners of OTP.

## **SECTION 13: CONSUMER, SERVICE FACILITY SALES AND TRADE SHOW POLICY**

- A. Principle. OTP's goods may be revocably sold in one-to-one or face-to-face meetings, home parties, online home parties, online networking events and/or online conferences, to the extent permitted by applicable law at trade fairs
- B. Principle. OTP's goods may be revocably presented and sold by Waterless Beauty Consultants in face-to-face or face-to-face meetings, at home parties, online home parties, online networking events and/or online conferences within the framework of applicable law.
- C. Retail Policy. Only with OTP's prior written permission, in its absolute discretion, may a Waterless Beauty Consultant sell products through retail outlets (such as supermarkets, retail stores, health stores, drugstores, pharmacies, hair stylists, physical therapy or comparable offices, doctor's offices, restaurants), sell and/or advertise the OTP business, with no approval being granted if the retail stores are of a size to qualify as federal, state or regional chains could be considered.
- D. Online Sales. Product Advisors may not sell OTP Products via online auctions or mail sites or on third-party branded online platforms, including but not limited to Walmart.com, Taobao.com, Alibaba, Tmal.com, Tencent platforms, Yahoo!, eBay or Amazon. Waterless Beauty Consultants may sell OTP products on personalized OTP websites and own websites that are 12D9 compliant. Products taken from a kit or original packaging may not be sold online.
- E. Service Facilities. Waterless Beauty Consultants may, with OTP's prior written permission, sell products through service facilities that offer services related to the products sold by OTP. For example, OTP products can be sold in fitness clubs, beauty or cosmetic studios, spas and gyms, whereby hospitals must provide written approval from their legal or compliance department.
- F. Eligibility. The Company reserves the right, in its sole discretion, to make the final determination as to whether a facility

referred to in C. is an appropriate place to sell the Products. The Company's granting of permission to do so in any particular instance shall not constitute a waiver of enforcement of this Policy in any/all other instances.

G. Trade Show Policy. Waterless Beauty Consultants who wish to exhibit, promote, and sell OTP products and the opportunity in connection with a trade show or public event may rent a booth or set up an exhibit display at a trade show, public event or convention ("Conference"). However, this requires prior written permission, which is at the discretion of OTP, and compliance with the following regulations on the part of the Waterless Beauty Consultant:

1. Complete and submit event registration form. This form can be found online in the virtual OTP Office.
2. In order to get a trade fair stand and to secure exclusive rights, a form must be available to the Company at least 4 weeks before the event, in which permission to participate in this trade fair or event is requested.
3. The Company reserves the right to allow only one stand per show where the Company and its products are presented. Only OTP products and/or the business opportunity may be presented at this booth. Likewise, only marketing materials created by OTP may be shown, displayed, or distributed there. The purchase of a Waterless Beauty Consultant's corporate banner to decorate the booth is mandatory. Exclusive rights are granted only at the Company's sole discretion.
4. The Waterless Beauty Consultants must not make any reference to OTP in any form or manner of its advertising and promotional material that would suggest that OTP would be attending the convention. Instead, all Company-approved advertising or promotional materials must specifically reference Waterless Beauty Consultants as an independent OTP Waterless Beauty Consultant, including any maps or listings prepared by the sponsor of the convention.
5. The Waterless Beauty Consultant is not permitted to display income.
6. Waterless Beauty Consultants may not use the convention to promote any product, service, or business opportunity outside of the OTP business in which Waterless Beauty Consultants is involved.
7. During the convention, the Waterless Beauty Consultants must personally follow Company policy and further contractual requirements and is responsible for (i) all actions of each person operating at the convention booth, (ii) any material disseminated at the convention, and (iii) any other related matter with participation in the conference.
8. In addition to the other disciplinary measures outlined in the Company Policy, the Company reserves the right to refuse to attend future meetings for any violation of the Policy at a meeting.

## SECTION 14: INTERNATIONAL BUSINESS

A. Permitted Activities in Undeveloped Markets. Prior to the official opening of an undeveloped local market, the permitted activities of a Waterless Beauty Consultant in an undeveloped local market are limited to distributing business cards and conducting, arranging, or attending meetings where the number of participants at each meeting - including the Waterless Beauty Consultant - cannot exceed five (5). The participants in such meetings must be personal acquaintances of the Waterless Beauty Consultant or personal acquaintances of the personal acquaintances of the Waterless Beauty Consultant attending the meeting. These meetings must take place at home or in a public, freely accessible facility, but not in a private hotel room. Any form of cold calling (promotional calls to people who are not previously personal acquaintances of the calling Waterless Beauty Consultant) is strictly prohibited in undeveloped local markets.

- B. Working in local markets. Waterless Beauty Consultants conducting business outside of their local market are subject to and must comply with the OTP Policy Manual applicable to their local market. Waterless Beauty Consultants who market products outside of their local market must comply with applicable local market terms and conditions and product listing policies when promoting the Company as a business opportunity or its products in the local market.
- C. Prohibited Activities in Undeveloped Local Markets.
1. A Waterless Beauty Consultant shall not import or facilitate the import, sale, gift or distribution of Company products and services or product samples.
  2. A Waterless Beauty Consultant may not place any form of advertising or distribute promotional material related to the Company, its products, or the opportunity, except as a Company-approved sales aid specifically authorized for distribution in undeveloped local markets.
  3. A Waterless Beauty Consultant may not promote or negotiate any agreement aimed at committing a citizen or resident of an untapped local market to the business opportunity, a specific enrolling sponsor, or any particular form of sponsorship. Further, Waterless Beauty Consultants may not enroll a citizen or resident of an Undeveloped Local Market in a Developed Open Market or do so through Waterless Beauty Consultant arrangements from a Developed Local Market unless the citizen or resident of the Undeveloped Local Market has, at the time, his permanent place of residence after registering in the developed local market and also a legal authorization to work there. The Registering Sponsor is responsible for ensuring that all residency and work permit requirements are met. Membership in, participation in, or ownership of any corporation, partnership or other legal entity in an accessible local market does not, by itself, qualify for residency or legal authorization to work there. If a participant in a Consultantship is unable to provide proof of permanent residency or work permits upon Company's request, the Company shall, at its option, have the right to void or otherwise make ineffective the incorporation of a Consultantship.
  4. A Waterless Beauty Consultant shall not accept money or other consideration, nor engage in any financial transactions with a prospective Waterless Beauty Consultant who rents, leases or buys facilities for the purpose of working there with the Company to promote or conduct related business.
  5. A Waterless Beauty Consultant shall not promote, facilitate, or engage in any activity that is beyond the limitations set forth in these Company Policies or that the Company, in its sole discretion, deems contrary to the Company's business conduct or ethical interests regarding its international expansion.
- D. Foreign Corrupt Practices Act. All OTP Waterless Beauty Consultants must comply with anti-corruption and anti-money laundering legislation. A Waterless Beauty Consultant commits a violation of the aforementioned requirements in particular:
1. in the case of a payment, offer, authorization or promise of payment of money or grant of anything of value
  2. to an official of a foreign government (including a party official or manager of a state-owned Company) or to any other person when it is clear that such payment or promise is made to a foreign official
  3. is forwarded with the ulterior motive of corruption,
  4. for the purpose of (i) influencing any act or decision of that person, (ii) inducing that person to do or refrain from doing any act in breach of his or her legal duty, (iii) to obtain an improper advantage, or (iv) induce that person to use their influence to influence an official act or decision,
  5. to assist in obtaining or retaining business for or with any person, or to enable such person to do business.

- No territorial protection. The Waterless Beauty Consultant is not entitled to territorial protection.
- Forbidden local markets. The Company reserves the right to designate certain local markets where all pre-marketing is expressly prohibited. Each Waterless Beauty Consultant is responsible for verifying, prior to any process of conducting pre-market opening activities in an undeveloped market, through up-to-date contact with the Company, that the local market in which the Waterless Beauty Consultant intends to conduct these activities is not a prohibited local market. A Waterless Beauty Consultant will receive a listing of all prohibited local markets when calling the Company about this

E. Violation of International Policy. In addition to other remedies permitted by the Company, a Waterless Beauty Consultant's failure to comply with any of the applicable provisions may be barred from participating in the affected international market for a period of time as the Company deems appropriate. This prohibition could include, but is not limited to, the following:

1. Waterless Beauty Consultant is not eligible for international distribution/sponsorship rights in the affected local market;
2. Waterless Beauty Consultant and his Upline Waterless Beauty Consultants are not eligible for Bonuses generated by Waterless Beauty Consultant and his Downline organization in the applicable local market;
3. In addition, for a period of up to one (1) year in all markets, Waterless Beauty Consultant will not be eligible to enjoy the privileges traditionally accorded to Waterless Beauty Consultants, such as recognition at corporate events or in corporate publications, and receipt of new registration materials when enrolling as Waterless Beauty Consultants before the official opening of each new store.

A Waterless Beauty Consultant who has been unable to participate in a Market due to non-compliance with these Company Policies must submit an appropriate written request to the Company for written authorization to participate in the Market after their "Suspension" period has expired.

F. No Waiver of Other Rights. Nothing herein shall constitute a waiver of Company's rights as set forth elsewhere in this Agreement.

## SECTION 15: PAYMENT OF TAXES

A. Income tax. Each Waterless Beauty Consultant assumes sole responsibility for paying all business, corporate, income and other self-employed taxes based on earnings as OTP's Waterless Beauty Consultant.

B. Sales Tax. OTP is legally required to charge tax on all sales to its Waterless Beauty Consultants. Waterless Beauty Consultants who have a tax ID number are always subject to tax. As small businesses, Waterless Beauty Consultants with only low sales have the opportunity to be exempted from sales tax. As of 2018, Waterless Beauty Consultants whose annual turnover (from their distribution partnership with OTP and all other independent business activities) exceeds \$17,500.00 are no longer small business owners. Waterless Beauty Consultants who initially act as small business owners, but then no longer count as small business owners due to their annual turnover, must immediately send OTP their sales tax identification number. All entrepreneurs who are not registered as small entrepreneurs with the responsible tax office are subject to tax, and then charge this tax on their own product sales. In return, they are also entitled to deduct input tax. Waterless Beauty Consultants are responsible for determining whether or not they are subject to tax and if so, then assess themselves accordingly and comply with all applicable tax regulations.



## SECTION 16: PRODUCT LIABILITY CLAIMS

- A. Defense of Company Claims. Subject to the limitations set forth in this provision, OTP shall defend its Waterless Beauty Consultants from claims by third party customers for alleged injury resulting from use of the Product or injury resulting from a defective Product. Waterless Beauty Consultants shall promptly notify Company in writing of any such claim, no later than fourteen (14) days after receipt of the third-party client's letter of claim regarding such alleged infringement. Waterless Beauty Consultants must permit the Company to assume the sole defense of any such claim and to do so in all respects in its sole discretion, including the use and election of counsel as a condition of the Company's obligation to defend its Waterless Beauty Consultants.
- B. Exceptions to Compensation Payments to Waterless Beauty Consultants.

The Company is in no way obliged to pay compensation to Waterless Beauty Consultants:

1. if the Waterless Beauty Consultants has violated their contractual and/or legal obligations or requirements, or
2. if the Waterless Beauty Consultants has repackaged, modified, or used the product in breach of contract, has made any claims, instructions, or recommendations as to its use, effectiveness, benefits or results inconsistent with the Company's authorized publications or in violation of the law, or
3. if the Waterless Beauty Consultants carries out advertising measures or other actions that require approval without the prior written permission of the Company.

## SECTION 17: PRIVACY AND AUTHORIZED USES OF INDEPENDENT WATERLESS BEAUTY CONSULTANT INFORMATION PROTECTION OF INDEPENDENT WATERLESS BEAUTY CONSULTANTS INFORMATION:

- A. As self-employed independent contractors, Waterless Beauty Consultants are themselves the data controller for all personal data they collect and process, including personal customer data, which they provide in the course of receiving and processing their business activities as Waterless Beauty Consultants. Waterless Beauty Consultants are responsible for ensuring that such personal data is processed, retained, and disposed of in full compliance with all applicable data protection regulations, including the EU General Data Protection Regulation 2016/679 (hereinafter GDPR). This includes in particular the following obligations:
1. Performing all its obligations under applicable data protection laws, including obligations related to data security and confidentiality;
  2. Ensuring that all persons whose data Waterless Beauty Consultants has stored are given appropriate information regarding the processing of their personal data, including the onward transfer of their personal data to the Company and, where required by law, appropriate consents are obtained from Waterless Beauty Consultants;
  3. Ensuring that there is a legal basis under the GDPR for the processing of personal data, including onward transfer of the personal data to the Company and obtaining consent from all individuals whose data is held to process their personal data where required by is required by the applicable data protection regulations;
  4. Ensuring that all individuals whose data is processed can exercise their data protection rights under applicable data protection legislation;
  5. Conclusion of a written agreement in accordance with the applicable data protection regulations with the order data

processors with whom to process personal data on behalf of the Waterless Beauty Consultant;

6. Implementing appropriate technical and organizational measures to ensure and enable evidence that all data is processed in accordance with applicable data protection regulations;
7. Promptly notifying the Company as soon as an actual data breach has occurred or is suspected to have occurred affecting personal data processed as Waterless Beauty Consultants in connection with their activities as Waterless Beauty Consultants;
8. Fully cooperate with Company in all reasonable and lawful efforts to prevent, mitigate or remedy such personal data breach, and
9. The implementation and provision of adequate protection in the event of a transfer of the personal data outside the European Union, as required by applicable data protection regulations.

B. Waterless Beauty Consultants Lists. Waterless Beauty Consultant lists and all contacts generated therefrom, including downline genealogy and associated Waterless Beauty Consultants lists (“lists”) are the confidential property and trade secrets of OTP, which is also the data controller for the processing of all personal data in these lists. The Company has derived, compiled, configured, and currently maintains these lists with a significant investment of time, effort, and financial resources. In their current and future forms, these lists constitute commercially beneficial assets and trade secrets of the Company. The Company expressly reserves the right to, and may refuse to disclose, the lists and other Waterless Beauty Consultants’ information maintained by the Company, at the Company’s sole discretion. Each Waterless Beauty Consultant agrees that each use, within its intended scope, constitutes a separate, purposeful and exclusive license agreement between the recipient and the Company, the license term of which expires, at the latest, at the end of the contract, without the need for a separate termination.

C. Confidentiality of Waterless Beauty Consultants Lists. Waterless Beauty Consultants who have access to the Waterless Beauty Consultant Lists acknowledge the confidential and proprietary nature of these Waterless Beauty Consultant Lists and also agree that any use of these lists or the contacts generated therefrom for any purpose other than the exclusive promotion of the Company’s business is expressly prohibited and will be considered a breach of a Company trade secret. Waterless Beauty Consultants further agree that all information is proprietary to the Company and that any material made available to Waterless Beauty Consultants that references the Company and its programs is reproduced only with the prior written consent of the Company is so made available with each separate offering.

D. Specific Waterless Beauty Consultants Lists. The Company will provide the Waterless Beauty Consultants (hereinafter referred to as “Recipients” in the context of the lists) with a separately tailored portion of the lists. Each portion of the list provided includes only information specific to the recipient’s rank and their downline organization. The stipulations set out in C. also apply with regard to these specific Product Advisor lists.

E. Restrictions on Use. The specific Product Advisor lists identified in D. are provided for the recipient’s limited use solely to facilitate their training and support and for the benefit of the recipient’s downline organization solely to further the business of the Company. Each recipient agrees that each use, within its intended scope, each constitutes a separate, purposeful, and exclusive license agreement between the recipient and Company, the license term of which will expire at the latest upon termination of the Agreement, without the need for separate termination.

F. Lists belong to the Company. All lists named in B.-E. above will at all times remain the exclusive property and trade secret of the Company, which may, at any time and in its sole discretion, reclaim and repossess such lists. Accordingly, each Wa-

terless Beauty Consultant agrees:

1. to keep all lists or parts thereof confidential and not to disclose them to any third party, including but not limited to existing Waterless Beauty Consultants, competitors and the general public;
  2. to use these lists only for their intended scope, which is to promote the OTP-related business. These lists may not be used to identify and solicit OTP Waterless Beauty Consultants for other commercial opportunities and activities;
  3. that any use or disclosure of the listings outside of the manner authorized herein, or for the benefit of a third party, constitutes an abuse, misappropriation, and breach of the recipient's license agreement, causing irreparable harm to the Company.
  4. That, upon any breach under this paragraph, the recipient of a claim for injunctive relief shall be subject to an appropriate remedy against such use under applicable laws and, upon Company's request, promptly retrieve and return to the Company any lists previously provided to the recipient and that all obligations under this paragraph will survive termination/cancellation of the contract with the Recipient.
  5. The obligations mentioned in B. – F. do not end with the end of the contract, but also continue for a period of 5 years after the end of the sales partner contract.
- G. Confidentiality of Trade Secrets Incidentally. Waterless Beauty Consultants must also maintain absolute secrecy about OTP's business and trade secrets and about their sales structure. The business and trade secrets and, at the same time, property rights of OTP also include in particular the information on the downline activities and placements as well as the downline genealogy and the information contained therein, the Waterless Beauty Consultant, customer and other contractual partner data as well as the information about business relationships of OTP and its affiliates and other vendors and suppliers. This commitment also lasts for a period of 5 years after termination of the sales partner contract.
- H. Company Remedies for Violations. The Company reserves the right to exercise any reasonable remedy available under applicable national or local law to protect its rights in the above proprietary information and trade secrets contained in these lists. Any failure to exercise such applicable remedies will not constitute a waiver of those rights.

## SECTION 18: LIMITATION OF LIABILITY

Except as set forth in this Company Policy or other official Company documents, OTP makes no representations or warranties of any kind, express or implied, with respect to OTP Products, including their condition, merchantability and fitness for a particular purpose or use by Waterless Beauty Consultants:

OTP is only liable for damage other than damage to life, body, and health if this is based on intentional or grossly negligent action or on culpable violation of a material contractual obligation (e.g., payment of the commission) by OTP, its employees or vicarious agents. This also applies to damage resulting from the breach of obligations during contract negotiations and from the performance of tortious acts. Any further liability for damages is excluded.

Except in the case of injury to life, body, and health or intentional or grossly negligent behavior on the part of OTP, its employees or vicarious agents, liability is limited to the damage that was typically foreseeable at the time the contract was concluded and otherwise to the amount of the average damage that is typical for the contract. This also applies to indirect damage,

in particular lost profit.

OTP is not liable for damage of any kind caused by data loss on the servers, subject to conflicting mandatory statutory regulations, except in the case of grossly negligent or intentional fault on the part of OTP, its employees, or vicarious agents.

Subject to conflicting mandatory legal regulations, the contents of the sales partner are third-party information for OTP within the meaning of Telemedia law and/or other applicable law.

## **SECTION 19: DISCIPLINARY ACTIONS (WARNING, PENALTY, DAMAGES, RELEASE FROM LIABILITY) / TERMINATION**

A. OTP's disciplinary actions include, but are not limited to, the following actions:

1. In the event of a first violation of the Waterless Beauty Consultant's contractual or statutory obligations, OTP will issue a written warning and set a deadline of 10 days for the violation of obligations to be rectified. The Waterless Beauty Consultant undertakes to reimburse the warning costs, in particular the legal fees incurred for the warning.
2. It is expressly pointed out that OTP is entitled to extraordinary termination without prior warning in the event of a particularly serious violation of contractual or statutory obligations but is also entitled to take the measures according to Section 1 at its own discretion in the event of a first-time violation of obligations. For this purpose, a warning within the meaning of Section 1 is also authorized with a shortened remedial period.
3. If, after the expiry of the period set by the warning, the same or a core violation occurs again, or if the violation originally warned is not remedied, a contractual penalty at the discretion of OTP and, in the event of a dispute, to be examined by the competent court, becomes due immediately. For the assertion of the contractual penalty, further legal fees are incurred, which Waterless Beauty Consultant is obliged to pay.
4. Irrespective of the contractual penalty incurred, Waterless Beauty Consultant is also liable for all damage incurred by OTP as a result of a breach of duty by the Waterless Beauty Consultant, unless Waterless Beauty Consultant is not responsible for the breach of duty.
5. In addition to the measures regulated in Section 1, OTP reserves the right to block the account for an important reason if the Waterless Beauty Consultant violates contractual or statutory obligations. The blocking remains in place until the breach of duty has been remedied following a corresponding warning from OTP. If it is a serious breach of duty that leads to the extraordinary termination of the contractual relationship, the blocking will remain permanent.
6. The Waterless Beauty Consultants releases OTP from liability in the event of a claim by a third party due to a breach of one of the contractual obligations or another violation of the Waterless Beauty Consultant against applicable law, at the first request of the OTP. In particular, the Waterless Beauty Consultant undertakes to assume all costs, in particular legal, court and damage compensation costs, which OTP incurs in this context.

B. Ordinary Termination. A Waterless Beauty Consultant can terminate the contract properly at any time. To do this, he must send the Company a written or e-mail sent to the following addresses [termination@oliveda.com](mailto:termination@oliveda.com) or the physical office address: 401 Wilshire Blvd., 12th Floor, Santa Monica, California 90401. Each person whose sales partnership has ended may only resign after six (6) months from the date of last activity as a Waterless Beauty Consultant if that

individual was an Olive Star Waterless Beauty Consultant or below. If the applicable Waterless Beauty Consultant has achieved Silver Olive Star or higher, they must wait twelve (12) months before re-enrolling with OTP as a Waterless Beauty Consultant. Activity includes, but is not limited to, product purchases, recruiting other Waterless Beauty Consultants, or earning a bonus. All obligations with respect to the confidentiality of information and the Waterless Beauty Consultant network shall survive termination of a contract, including but not limited to the obligations set out in these Company Policies.

- C. Consequences of Ordinary Termination. In the event of an ordinary termination by a Waterless Beauty Consultant, their account will be "Suspended" for a period of twelve (12) months from the date of their last activity. After that, the account is finally terminated and deleted from the sales organization chart. In other words, a suspended account remains in the sales org chart until finally terminated by the Company. There will be no "piling up" of downline during the suspension period. Due to the densification of the compensation plan, the volume accumulates past the suspended Waterless Beauty Consultant, allowing for maximum payout. With the termination of the contract, the Waterless Beauty Consultants no longer has the right to commission. This does not apply to contracts that have already been successfully brokered at this point in time. The right to these commissions remains unaffected. Furthermore, Waterless Beauty Consultant is not entitled to a commercial agent compensation claim upon termination of the contract, since Waterless Beauty Consultant is not a commercial agent within the meaning of the Commercial Code.
- D. Inactivity. A Consultantship may be terminated by the Company by email to the email address on file in the back office if it is inactive or if the annual renewal fee has not been paid.
- E. Co-applicants are bound by Consultantship. Any action by a Participant or co-applicant of a Consultantship or spouse or partner of a Waterless Beauty Consultant shall be attributable to the Consultantship and any remedy, including termination of the Agreement, that such action may require and shall apply to the Consultantship generally.
- F. If a Waterless Beauty Consultant terminates this Agreement under Section 19.B within fourteen (14) days of entering into it:
1. Waterless Beauty Consultant may, within Section 19, twenty-one (21) days from the date of termination, return to the Company's nominated address any Goods purchased by Waterless Beauty Consultant under this Trading Scheme which have not been sold, provided all such goods are in the same condition as when purchased, regardless of whether their outer packaging has been opened, and can recover any monies already paid for those goods;
  2. Within this 14-day period, Waterless Beauty Consultants may cancel any services ordered under this trading scheme and may be entitled to a refund of any monies already paid for such services, provided that Waterless Beauty Consultant has not already received these services.
- For monies paid in accordance with Section 19.J.1 and J.2, the Waterless Beauty Consultant must send a notice to the Company of the return of such monies (and the Starter Kit, if any, and any other promotional items and training materials provided by the Company). Notice must be received at the Company's Designated Address within twenty-one (21) days of the termination date and the Company must return any monies that Waterless Beauty Consultant is legally entitled to recover within Section 19.B within twenty-one (21) days of the termination date. In order to recover monies paid for Section 19.J.1 Goods, Waterless Beauty Consultant must return such Goods to the Company within twenty-one (21) days of the date of termination to the Company address set out in Section 19.B. The costs for the return are at the expense of the Waterless Beauty Consultant. Any monies paid in respect of such Goods shall be returned to Waterless Beauty Consultant upon delivery of the Goods or forthwith if the Goods have not yet been delivered to Waterless Beauty Consultant.

- If Waterless Beauty Consultant gives written notice that it wishes to terminate this Agreement more than fourteen (14) days after signing it, Waterless Beauty Consultants may provide the Company with all Goods (including training and promotional materials, business manuals and kits) purchased under the Trading System within ninety (90) days prior to such termination. The Company will then reimburse the Waterless Beauty Consultant for the price (including tax) that it paid for the Goods less an amount in all cases where, as a result of an act or error on the part of the Waterless Beauty Consultant, such Goods are in a deteriorated condition equal to the depreciation due to such deteriorated condition, minus a reasonable handling charge which will cover the cost of repackaging the returned goods for resale, if applicable. The freight costs are at the expense of the Waterless Beauty Consultant.
- The Company may terminate this Agreement at any time by giving notice to Waterless Beauty Consultant. If the Company terminates this Agreement, Waterless Beauty Consultants may return to the Company any goods purchased through the Trading System within the ninety (90) days prior to receipt of the termination that are unsold. Only within ninety (90) days will he receive a full refund of the purchase price (including tax) paid for them by Waterless Beauty Consultant, together with any costs incurred by Waterless Beauty Consultant in returning the goods to the Company.
- If either party terminates this Agreement, Waterless Beauty Consultant may return to the Company any Goods (including training and promotional materials, business manuals and kits) that it purchases under the Trading System more than ninety (90) days but within one (1) year before receipt of the notice of termination and which are unsold. In this case, he will receive a refund of 90% of the purchase price (including tax), minus a deduction equal to
  - (i) any bonuses or other benefits (in cash or in kind) received by Waterless Beauty Consultant in relation to these goods has;
  - (ii) any amount still owed by Waterless Beauty Consultant to the Company in any account;
  - (iii) a reasonable handling charge, if applicable, to cover the cost of repackaging the returned goods for resale, provided that:
    - (i) such goods were not purchased or acquired by Waterless Beauty Consultant in breach of contract;
    - (ii) Waterless Beauty Consultant shall return such Goods to the Company, unused and in a commercially resalable condition, no later than fourteen (14) days after the date of termination;
  - (iii) the Company failed to clearly inform Waterless Beauty Consultant in advance of the purchase that the products in question were seasonal, discontinued, or special promotional products not subject to these buy-back provisions.
- In order to recover monies paid for Goods in accordance herewith, Waterless Beauty Consultant must return such Goods to the Company within twenty-one (21) days from the date of termination to the following Company address: 401 Wilshire Blvd., 12th Floor, Santa Monica, California 90401. The freight cost is at the Company's expense. The purchase price is to be repaid to Waterless Beauty Consultant upon delivery of the goods or immediately if the goods are still in the Company.
- If this Agreement is terminated for any reason, Waterless Beauty Consultant shall have the right to be discharged from all future contractual liabilities to the Company in connection with this trading system, except for: (a) liabilities in connection with payments made to Waterless Beauty Consultant under Contracts that Waterless Beauty Consultant has entered into for the Company (if any) and (b) any liability to pay the price for any goods or services that Waterless Beauty Consultant has received from the Company and where Waterless Beauty Consultant has the goods in has not returned to the Company in accordance herewith.

## SECTION 20: CONTRACT MODIFICATIONS

OTP is entitled to change the Company policies and the compensation plan if this is necessary for economic reasons or legal changes. OTP will announce changes at least one month before the change comes into effect, specifying the future contract change in the Waterless Beauty Consultant's back office. The Waterless Beauty Consultant has the right to object to the change or to terminate the contract in text form without observing a notice period for the change to take effect. In the event of an objection, OTP is entitled to terminate the contract properly. Unless the Waterless Beauty Consultant terminates the Agreement or objects to the change, the changes will take effect from the date specified in the change notice. OTP is obliged to inform the Waterless Beauty Consultant of the importance of their silence in the change announcement made in the back office.

## SECTION 21: SUCCESSORS AND CLAIMS

- A. **Mandatory Effects and Ongoing Benefits.** This Agreement is binding and effective for the benefit of both parties to it and their respective successors and assigns.
- B. **Transfer of a Consultantship Position.** Except as otherwise provided in these Company Policies, a Waterless Beauty Consultant may sell, transfer, or assign its Consultantship as permitted by this Agreement and applicable law (including sale, gift, or inheritance), provided that OTP has given its prior written consent to do so.
1. Upon gift, sale, transfer, assignment or any other disposition of the Consultantship, a new Consultantship will automatically be created. Notwithstanding the fact that a new Consultantship has been created, organizationally, that Consultantship takes the place of the old Consultantship. In addition, unless otherwise expressly authorized in writing by the Company, all accounts receivable, personal volume, LRP points and registration date must be retained by the Consultantship. For the purposes of re-enrollment as Waterless Beauty Consultant, any gift, sale, transfer, or assignment shall be deemed to be the transferor's termination/termination scored. In other words, any Waterless Beauty Consultant gifting, selling, assigning or otherwise transferring their Consultantship must be six (6) months (if Olive Star or lower) or twelve (12) months (if Silver Olive Star or higher) from the official Wait until the termination date (or last product purchase date if prior to termination or transfer date) before registering again. A Waterless Beauty Consultant shall not sell, assign or assign any right conferred upon it by this Agreement to any individual or entity without the Company's prior express written consent or transmitted in any other way. A Waterless Beauty Consultant may delegate its responsibilities but is still ultimately responsible for compliance with all provisions of this Agreement and all applicable laws. Any person working for or with Waterless Beauty Consultant as part of their Consultantship may only do so under the direct supervision of Waterless Beauty Consultant.
- C. **Succession to the Consultantship.** In the event of the death or incapacity of a Waterless Beauty Consultant, that Waterless Beauty Consultant's organization shall pass to his or her legal successors (which shall be, in the event of the Waterless Beauty Consultant's death, their heirs) in accordance with applicable law. Successors must promptly notify the Company in writing of any such succession and provide proper documentation in relation thereto.
- D. **Separation of a Consultantship.** During the period of time that there is a separation or dissolution of a married couple/civil partnership, corporation, or partnership, the parties involved must comply with one of the following procedures:
1. Either party may, with the consent of the other party(s), operate the Consultantship pursuant to a written assignment authorized by the waiving/outgoing spouse, associate, partner, or trustee to do so, directly and exclusively with the other spouse or not - renouncing/retiring shareholders, partners or trustee.

2. Both parties may continue to operate the Consultantship together on a business-as-usual basis, after which all commissions paid by the Company will be paid on behalf of the Waterless Beauty Consultants jointly or on behalf of the entity to be demerged, if mutually agreed upon.
- E. Consultantships are indivisible. The separating sales partnership operated as a married couple/registered partnership, corporation or partnership will under no circumstances be divided and there will also be no divided payment of remuneration to the separating partners, spouses. In the event of an internal dispute about the consequences of the separation, divorce, dissolution, or other termination in relation to the sales partnership, OTP reserves the right of extraordinary termination if such a dispute leads to a neglect of the duties of the sales partnership, to a violation of this Company policy or other contractual requirements, results in a violation of applicable law or imposes an unreasonable burden on the downline or upline.
- F. Waiting time before logging in again. The departing partner or spouse from a Consultantship operated as a married couple/joint partnership, corporation or partnership may enroll with any sponsor of their choice provided they meet the qualifying period requirements set out in Section 21.B.2 Section 1.B.2.

## SECTION 22: MISCELLANEOUS

### A. Waiver

OTP's waiver of a Waterless Beauty Consultant's breach of any term of the Agreement must be in writing and shall not be construed as a waiver of any subsequent or additional breach. Failure by the Company to exercise any right or privilege under the Contract shall not be deemed a waiver of that right or privilege.

### B. Integrated Contract

1. This Agreement is the final expression of the understanding and agreement between the Company and a Waterless Beauty Consultant with respect to all matters addressed in this Agreement and supersedes all prior and current agreements or understandings (both oral and written) between the parties. This Agreement supersedes all previous records, memoranda, representations, discussions, and descriptions relating to the subject matter of this Agreement.
2. If there is any inconsistency between the terms of this Agreement and the oral representations made to a Waterless Beauty Consultant by an employee, the express written provisions of this Agreement shall prevail.

C. Dispute Resolution. In the event of any dispute, claim, question or disagreement or anything hereunder arising out of or relating to the Agreement, including any question as to its existence, validity or termination, the parties to this Agreement shall use their best efforts to resolve such resolve any dispute, claim, question, or disagreement. To this end, they shall both consult and negotiate with each other in good faith, and, recognizing their mutual interests, seek to reach a reasonable and just solution that satisfies both sides. Notwithstanding this arbitration provision, either party shall have the right to seek judicial resolution of any dispute.

D. Written Form. Changes or additions to these Company guidelines must be in writing. This also applies to the lifting of the writing requirement.

E. Governing Law. The law of the seat of the Waterless Beauty Consultant applies.

F. Jurisdiction. If the Waterless Beauty Consultant is a merchant, a corporation under public law or a special fund under pu-



blic law or does not have a general place of jurisdiction in the United States or moves their place of residence abroad after conclusion of the contract or their place of residence is not known at the time the action is filed, the place of jurisdiction and place of performance is the seat of OTP.

- G. **Litigation and Claims.** In order to protect OTP, its assets and reputation from claims or disputes by outside third parties (non-Waterless Beauty Consultants), the Company requires that if a Waterless Beauty Consultant is found to have violated any proprietary right of any outside third party (who is not a Waterless Beauty Consultant), is accused as a result of any of the Company's property or if any claim or legal proceeding is brought against a Waterless Beauty Consultant in connection with business conduct or any other action that directly or indirectly adversely affects the Company, its reputation or any of its tangible or intangible assets at risk, the affected Waterless Beauty Consultants shall notify the Company immediately. The Company may, at its own expense and within a reasonable time, take whatever action it deems necessary (including but not limited to reviewing any related litigation or settlement) to strengthen the Company, its reputation and its physical and protect intangible property. Waterless Beauty Consultants shall not take any action related to this claim or litigation without the Company's express consent. This consent must not be withheld for an unreasonably long time.
- H. **Invalidity or Incompleteness of a Clause.** If a clause of these Company guidelines or other contractual provisions is invalid or incomplete, the entire contract shall not be invalid. Rather, the ineffective clause should be replaced by one that is effective and comes closest to the economic meaning of the ineffective clause. The same should apply when closing a gap that requires regulation.
- I. **Force Majeure.** The parties to this Agreement shall not be responsible for any failure or delay in the performance of any of its obligations herein as a result of acts of God, flood, fire, war or acts of subversion.