

Kleo Kolor Corporation Terms and Conditions

- 1. I understand that as a Kleo Kolor Brand Partner:
  - **a.** I have the right to offer for sale Kleo Kolor products and services in accordance with these Terms and Conditions.
  - **b.** I have the right to enroll persons into Kleo Kolor.
  - c. If qualified, I have the right to earn commissions pursuant to the Kleo Kolor Compensation Plan.

**2.** I agree to present the Kleo Kolor Marketing and Compensation Plan and Kleo Kolor products and services as set forth in official Kleo Kolor literature.

**3.** I agree that as a Kleo Kolor Brand Partner I am an independent contractor, and not an employee, partner, legal representative, or franchisee of Kleo Kolor. I agree that I will be solely responsible for paying all expenses incurred by myself, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other expenses. I UNDERSTAND THAT I SHALL NOT BE TREATED AS AN EMPLOYEE OF KLEO KOLOR FOR FEDERAL OR STATE TAX PURPOSES. Kleo Kolor is not responsible for withholding, and shall not withhold or deduct from my bonuses and commissions, if any, FICA, or taxes of any kind.

4. I have carefully read and agree to comply with the Kleo Kolor Policies and Procedures, which are incorporated into and made a part of these Terms and Conditions (the Policies and Procedures and the Independent Brand Partner Application and Agreement shall be collectively referred to as the "Agreement"). In the event of a conflict between these Terms and Conditions and the Policies and Procedures, the Policies and Procedures will control. If I have not yet reviewed the Policies and Procedures at the time I sign this Agreement, I understand that they will be sent with my Welcome Email and are also in my Kleo Kolor Back Office. I will review the Policies and Procedures within five days from the date on which I sign this Agreement. If I do not agree to the Policies and Procedures, my sole recourse is to notify the company and cancel my Kleo Kolor Agreement. Failure to cancel constitutes my acceptance of the Policies and Procedures. I understand that I must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from Kleo Kolor. I understand that the Agreement may be modified or amended at the sole and absolute discretion of Kleo Kolor, and I agree to abide by all such changes. Notification of changes shall be posted on Kleo Kolor's website and in my Kleo Kolor Back Office. Changes shall become effective 30 days after publication. Any amendment to the Agreement, or to the dispute resolution provisions herein, shall not apply to: (1) a dispute arising prior to the effective date of such amendment; or (2) a Brand Partner who declines to accept such amendment by discontinuing his or her Kleo Kolor business and status as a Brand Partner following the Effective Date of any such amendment. The continuation of a Brand Partner's Kleo Kolor business or a Brand Partner's acceptance of bonuses or commissions after the effective date of any amendments shall constitute acceptance of any and all amendments.

**5.** The term of this agreement is one year (subject to prior cancellation pursuant to the Policies and Procedures). If I fail to annually renew my Kleo Kolor business, or if it is canceled or terminated for any reason, I understand that I will permanently lose all rights as a Brand Partner. I shall not be eligible to sell Kleo Kolor products and services nor shall I be eligible to receive commissions, bonuses, or other income resulting from the activities of my former downline sales organization. I expressly understand and agree that I have no contractual relationships with any other Kleo Kolor Brand Partner and I hereby disclaim any and all interests in the downline organizations (if any) of my personally-enrolled Brand Partners. In the event of cancellation, termination, or nonrenewal, I waive all rights I have, including but not limited to property rights, to my former downline organization and to any bonuses, commissions or other remuneration derived through the sales and other activities of my former downline organization. Kleo Kolor reserves the right to terminate all Brand Partner Agreements upon 30 days notice if the Company elects to: (1) cease business operations; or (2)

dissolve as a business entity. Brand Partner may cancel this Agreement at any time, and for any reason, upon written notice to Kleo Kolor at its principal business address. Kleo Kolor shall have the right in its sole and absolute discretion not to accept this Agreement or any renewal of it.

**6.** I may not assign any rights under the Agreement without the prior written consent of Kleo Kolor. Any attempt to transfer or assign the Agreement without the express written consent of Kleo Kolor renders the Agreement voidable at the option of Kleo Kolor and may result in termination of my business.

**7.** I understand that if I fail to comply with the terms of the Agreement, Kleo Kolor may, at its discretion, impose upon me disciplinary sanctions as set forth in the Policies and Procedures. If I am in breach, default or violation of the Agreement at termination, I shall not be entitled to receive any further bonuses or commissions, whether or not the sales for such bonuses or commissions have been completed. I agree that Kleo Kolor may deduct, withhold, set-off, or charge to any form of payment I have previously authorized, any amounts I owe or am indebted to Kleo Kolor.

**8.** Kleo Kolor, its parent or affiliated companies, directors, officers, shareholders, employees, assigns, and agents (collectively referred to as "affiliates"), shall not be liable for, and I release and hold harmless Kleo Kolor and its affiliates from, all claims for consequential and exemplary damages for any claim or cause of action relating to the Agreement. I further agree to release and hold harmless Kleo Kolor and its affiliates from all liability arising from or relating to the promotion or operation of my Kleo Kolor business and any activities related to it (e.g., the presentation of Kleo Kolor products or Compensation and Marketing Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.), and agree to indemnify Kleo Kolor for any liability, damages, fines, penalties, or other awards arising from any unauthorized conduct that I undertake in operating my business.

**9.** The Agreement, in its current form and as amended by Kleo Kolor at its discretion, constitutes the entire contract between Kleo Kolor and myself. Any promises, representations, offers, or other communications not expressly set forth in the Agreement are of no force or effect.

**10.** Any waiver by Kleo Kolor of any term of the Agreement or any breach of the Agreement must be in writing and signed by an authorized officer of Kleo Kolor. Waiver by Kleo Kolor of any breach of the Agreement by me shall not operate or be construed as a waiver of any subsequent breach.

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

**12.** This Agreement will be governed by and construed in accordance with the laws of the State of New Jersey without regard to principles of conflicts of laws. In the event of a dispute between a Brand Partner and Kleo Kolor arising from or relating to the Agreement, or the rights and obligations of either party, the parties shall attempt in good faith to resolve the dispute through nonbinding mediation as more fully described in the Policies and Procedures. If the parties are unsuccessful in resolving their dispute through mediation, the dispute shall be settled totally and finally by arbitration as more fully described in the Policies and Procedures. Kleo Kolor shall not be obligated to engage in mediation or arbitration as a prerequisite to disciplinary action against a Brand Partner. The Federal Arbitration Act shall govern all matters relating to arbitration. No arbitration or proceeding can be combined with another without the prior written consent of all parties to the arbitrations or proceedings. The parties agree that the arbitrator will have the sole power to decide any question about the arbitrability of any claim, dispute or other difference between the parties. This agreement to arbitrate shall survive any termination or expiration of the Agreement. Where permitted under applicable law, you and Kleo Kolor expressly agree that each may bring claims against the other only in your or its individual capacity and not as a plaintiff or class member in any purported class or representative action. You further waive

participation in any class-action lawsuits, class-wide arbitrations, private attorney general actions, and any other proceeding in which someone acts in a representative capacity. You shall not institute or participate in, and the arbitrator shall not have the authority to hear an arbitrable dispute on a class, collective, consolidated, or representative basis, nor shall the arbitrator have the authority to grant class-wide relief, relief on a consolidated basis, or other relief extending beyond the individual claimant. You understand that both you and Kleo Kolor are waiving your rights to bring (or join, participate, or intervene in) any claim, controversy, or dispute covered by this arbitration provision as a class, collective, or other representative action. If a court of competent jurisdiction determines that all or part of this Class Action Waiver is unenforceable, unconscionable, void or voidable, the remainder of this Agreement shall remain in full force and effect. If both: (1) the dispute is filed as a class, collective, or representative action; and (2) a court finds the class action waiver, or a portion thereof, unenforceable, then the parties agree that any claims as to which this class action waiver are enforceable shall be resolved by arbitration prior to litigation of the claims to which the class action waiver was deemed unenforceable. The parties agree that the claims to which the class action waiver was deemed unenforceable shall be stayed pending resolution of the claims subject to arbitration. Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Bergen County and State of New Jersey.

**13.** Notwithstanding the foregoing, either party may bring an action before the courts seeking a restraining order, temporary or permanent injunction, or other equitable relief to protect its intellectual property rights, including but not limited to customer and/or distributor lists as well as other trade secrets, trademarks, trade names, patents, and copyrights. The parties may also seek judicial enforcement of an arbitration award. In all actions before the courts, the parties consent to exclusive jurisdiction and venue before the U.S. District Court for the District of New Jersey, or state court residing in Bergen County, State of New Jersey.

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

**15.** Montana Residents: Should a Montana resident cancel the Brand Partner Agreement within 15 days from the date of enrollment, Kleo Kolor will refund 100% of the purchase price for the Starter Box.

**16.** Except as provided in paragraphs 14-15, refunds will be issued as provided in the Policies and Procedures and in the Notice of Right to Cancel below.

## 17. A participant in this multilevel marketing plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the company at its principal business address.

**18.** If a Brand Partner wishes to bring an action against Kleo Kolor for any act or omission relating to or arising from the Agreement, such action must be brought within one year from the date of the alleged conduct giving rise to the cause of action, or the shortest time permissible under state law. Failure to bring such action within such time shall bar all claims against Kleo Kolor for such act or omission. **Brand Partner waives all claims that any other statute of limitations applies.** 

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